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Daily Report
Central Eurasia

FBIS-SOV-96-091 *9 May 1996*

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Russia: Yeltsin Says Campaign 'in Full Swing,' Reaching Provinces

LD0805163096 Moscow ITAR-TASS in English 1553 GMT 8 May 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, May 8 (Itar-Tass) — Russian President Boris Yeltsin, running for the next term, told a local television company that his campaign was "in full swing" and "reached Russian provinces."

Yeltsin gave an interview to the Astrakhan TV company just before his tour of southern Russia which is scheduled to begin on Thursday. He plans to visit the city on the Volga River on May 11.

Asked about factors which were boosting his rating among the voters, Yeltsin suggested that it was the growing number of his trips and meetings with ordinary Russians.

"People have seen the original Yeltsin of the 1991 year pattern, only five years older," he said.

Russia: Yavlinskiy Comments on Yeltsin's Naro-Fominsk Remarks

LD0805183996 Moscow ITAR-TASS in English 1315 GMT 8 May 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass) — Visiting in Naro-Fominsk, the Moscow region, on Tuesday, Russian President Boris Yeltsin expressed the hope to be able to rally all democratic presidential candidates of Russia. "At least, I am actively striving to achieve this unity," the President said.

"Perhaps we can discuss this with the President," Grigoriy Yavlinskiy, leader of the Yabloko faction in the State Duma and presidential candidate, said on Wednesday when asked by Itar-Tass to comment on the President's statement.

Regarding his recent meeting with Yeltsin, at which Yavlinskiy declared for a radical change of the course on all the main directions, Yavlinskiy said this to Itar-Tass: "Boris Yeltsin answered my proposals when he spoke yesterday in Narofominsk. He came out for creating a democratic coalition now that the elections are near."

At the same time, when asked whether he construed Yeltsin's words as the suggestion that he withdraw his candidature in favour of the present head of state, Yavlinskiy said: "We are equal. He is a presidential candidate and I am a presidential candidate too."

The Yabloko leader denied reports of a number of the media that he had begun contacts with the apparatus of the presidential assistants and representatives of the administration about joint actions in the runup to the elections. He dismissed them as utter lies.

Russia: Yavlinskiy Ready To Discuss Alliance With Yeltsin

LD0805183296 Moscow ITAR-TASS in English 1811 GMT 8 May 96

[By Vitaliy Makarchev]

[FBIS Translated Text] LONDON, May 8 (Itar-Tass) — Russian liberal presidential candidate Grigoriy Yavlinskiy told BBC radio on Wednesday he was ready to discuss a possible alliance with President Boris Yeltsin in an attempt to keep away Communist candidate Gennadiy Zyuganov.

Yavlinskiy said he intended to meet Yeltsin soon to discuss a possibility of creating a coalition between the government and the democratic opposition.

The democratic opposition may form a coalition with Yeltsin to oust Zyuganov. However it would be extremely difficult to set up such an alliance, he said.

He also reported about his meeting with Yeltsin on Monday which lasted for two hours and during which they openly discussed a wide range of issues.

Yavlinsky stressed he was ready to enter serious talks with the president if he was ready to introduce changes in the current economic and social policies, to stop the Caucasus war and make a reshuffle in the government and in his inner circle.

If Zyuganov wins the elections, the country's future will be hard to predict. The Communists do not have any realistic programme, and their party is very politicised, he said adding that the consequences of a Communist victory may be very tragic for Russia.

Russia: Zyuganov Sees Yeltsin-Yavlinskiy Alliance as 'No Surprise'

LD0905093596 Moscow ITAR-TASS in English 0837 GMT 9 May 96

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, May 9 (Itar-Tass) — Russian candidate for the presidency Communist leader Gennadiy Zyuganov told Itar-Tass on Thursday that Grigoriy Yavlinskiy's statement about his readiness to consider creating a broad coalition of democratic forces with Boris Yeltsin had come as no surprise. Yavlinskiy, leader of the political party Yabloko and

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also one of the candidates for the presidency, made the statement on Wednesday.

"We considered the alliance of Boris Yeltsin and Grigoriy Yavlinskiy not as probable but as very probable. We foresaw this variant of the course of events," Zyuganov said.

According to the Communist leader, the two politicians are "birds of a feather."

At the recent meeting between the president and the Yabloko leader, "a big and intricate bargaining" took place, Zyuganov said, adding that this move will "finish Yavlinskiy's political career" and "there will be a zero confidence in him."

The Communist leader expressed the conviction that it would be more difficult for Boris Yeltsin to come to an agreement with another candidate — Aleksandr Lebed.

Zyuganov reiterated that he was ready to meet Yeltsin. He said that the bloc of people's patriotic forces, which he represents, is interested in the elections being held in time and in accordance with the law, the votes calculated honestly, and the outcome of the vote being legitimate. The communist leader also said he was interested in the mechanism of taking over the power being put right. "We are ready to sign any document for this purpose and give any guarantees that there will be no persecutions on political or ideological grounds", he added.

Zyuganov said he was greatly satisfied with the results of his three-day visit to Germany where, as he said, "a great interst" in him was displayed. German politicians and businessmen are not afraid of Communists' coming to power in Russia since they are "pragmatists" and see good prospects for the development of particular relations between Germany and Russia, he noted.

Russia: Zyuganov Hints 'Overtures' Being Made With Yeltsin

LD0805193896 Moscow ITAR-TASS in English 1920 GMT 8 May 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW, May 8 (Itar-Tass) — Russian Communist leader and presidential candidate Gennadiy Zyuganov said on Wednesday that both sides — President Boris Yeltsin and he — had expressed a principal desire to meet in the run-up to the June 16 elections.

Earlier, the president discussed the election campaign with Alexander Lebed and Grigory Yavlinsky, both being presidential candidates.

Zyuganov did not give an exact date of his meeting with Yeltsin saying only that "the sides are making overtures."

According to him, during his meeting he will suggest again that all candidates enter talks and sign a joint declaration which would oblige each contender to implement the will of people after the elections and to guarantee all civil rights, the freedom of speech, and non-persecution on political grounds.

Such a declaration would strengthen stability in Russia, he said.

Zyuganov highly assessed such consultations. "Much inflammable political material" has gathered in Russian society, he said. It is necessary to find a "peaceful political way" out of the situation without increasing social tension, according to him.

Russia: Zhirinovskiy Says Elections May Be Unnecessary

LD0805190196 Moscow NTV in Russian 1800 GMT 8 May 96

[From the "Segodnya" program]

[FBIS Translated Excerpt] [passage omitted] [Aleksandr Khabarov] Liberal Democratic Party of Russia [LDPR] leader Vladimir Zhirinovskiy interprets the possibility of the elections being postponed in his own way.

[Begin Zhirinovskiy recording] A compromise can be found. We could unite, Yeltsin, I, and Zyuganov. The three of us could appeal to the people and make mutual concessions. Yeltsin doesn't want elections — OK, we won't hold them, but we change course. We change the government. Let's change our policy. What are we having elections for? To get a new leadership and a new policy. The elections aren't just for the sake of arithmetic, after all. But how about if we start this new policy without elections and keep Yeltsin in his post, but we change course, the people will accept this, OK. [end recording]

[Khabarov] Zhirinovskiy was having a meeting with representatives of the Muslim clergy. He promised them that if he came to power, he would ensure equal rights for all religious confessions on the territory of Russia.

[Begin Zhirinovskiy recording] If I am president, I will have a Muslim as one of my advisors, my consultants. [end recording]

[Khabarov] At the same time, the LDPR leader commented that he was against the church interfering in state policy.

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Aleksandr Knabarov, Yevgeniy Turchak, Gennadiy Nemykh, NTV Television, Moscow.

Russia: Zhirinovskiy Addresses Electorate in Yaroslavl

LD0805215296 Moscow INTERFAX in English 1846 GMT 8 May 96

[FBIS Transcribed Text] YAROSLAVL, May 8 (Interfax) — The Kremlin is afraid of the upcoming presidential elections, because it may lose, while the Communists fear that they will not be let to power, Liberal Democratic Party leader Vladimir Zhirinovskiy said in Yaroslavl Wednesday.

"Communist leader Gennadiy Zyuganov may agree to a piece of the cake before the elections and then make a deal with Boris Yeltsin by May 20," he said. He called on the Yaroslavl electorate to believe neither the Communists, nor the democrats.

Zhirinovskiy reacted doubtfully to a settlement in Chechnya. "Neither Yeltsin, nor Zyuganov will stop the war." He proposed his own settlement plan, under which "all civilians leave Chechnya in two weeks, while only rebels will stay in the villages.

"Bombs will fall on those who will not hand over arms," he said. "They are cowards, they will run to Georgia rather than to Russia; let Shevardnadze play with them."

After this, Chechnya will be transformed into a North Caucasus province of Russia, he said.

Zhirinovskiy also announced his plan to return "billions of dollars taken abroad by the new Russians." He estimated Russian money with foreign banks at $300 billion, saying, "We should ask its owners to remit it to Russia rather than take it away.

"Those who refuse to do so will see members of their families arrested," Zhirinovskiy said. "They are swindlers, why should we pity them?"

At the same time, he said he did not urge shooting them.

Russia: Mass Media Urged To Donate Money to Zhirinovskiy's Campaign

LD0805180696 Moscow INTERFAX in English 1035 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — Presidential candidate Vladimir Zhirinovskiy's press service has urged mass media managers to donate money to Zhirinovskiy's election campaign.

The Interfax news agency received such a proposal by fax on Wednesday from the LDPR's [Liberal Democratic Party of Russia] press service in the State Duma. Appealing to an unnamed media manager, the press service explained its request by the fact that Zhirinovskiy is "a patriot and defender of Russia's interests."

The fax gives details of the bank account in the Moscow branch of Russia's Sberbank to which "voluntary donations should be transferred," and carries a specimen of a payment order for 280 million rubles.

No donations should be transferred by the media's foreign investors, says the fax.

By April 25, the Central Electoral Commission had transferred 150 million rubles to Zhirinovskiy's campaign fund. Ten thousand rubles came from an individual, the Central Electoral Commission told Interfax.

Russia: Lebed May Withdraw if Country Guaranteed Against Civil War

LD0805180796 Moscow INTERFAX in English 1035 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 7 (Interfax) — Duma deputy and presidential hopeful Aleksandr Lebed may withdraw his bid for presidency only if provided with firm and serious guarantees that Russia will not suffer a civil war.

"I do not care about power, I just want to prevent war in the country," he told voters in Moscow Tuesday. "I feel civil war in my bones."

Presidential bodyguard Aleksandr Korzhakov "brought to the public's notice someone's opinion" when he stated the need to postpone the presidential elections, Lebed said.

"President Boris Yeltsin has serious grounds to fear losing the elections," he said. "The country has an economic collapse, war in Chechnya and 'wild' privatization."

Public opinion is being probed on the possibility of postponing the elections, he said.

"My consultations with presidential contenders Grigoriy Yavlinskiy and Svyatoslav Fedorov on the creation of an election coalition dubbed the Third Force have not yet taken a concrete shape," Lebed said when questioned.

Russia: Fedorov 'Would Accept' Premier Post in Communist Government

LD0805183496 Moscow ITAR-TASS in English 1243 GMT 8 May 96

[By Nataliya Panshina]

[FBIS Transcribed Text] MOSCOW, May 8 (Itar-Tass) — Talks on the creation of the so-called "third force

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bloc" in the run-up to presidential elections should apparently be hushed up. A coalition expected to be created by three presidential candidates Grigoriy Yavlinskiy, Aleksandr Lebed and Svyatoslav Fedorov "was dead before it came into being." This conclusion suggested itself after a news conference held by Svyatoslav Fedorov today.

Fedorov said that on May 11, he is to meet Yavlinskiy for the last time in the run-up to presidential elections. If Fedorov's programme is not accepted by the leader of the "Yabloko" faction, they will stand for the presidency, going in "parallel directions", Fedorov said. Earlier, Aleksandr Lebed declared that he did not intend to withdraw from the presidential race either.

Fedorov admitted that it was the "third way" of popular socialism rather than the "third force" which appealed to him. He believes that his chances to win the elections are good enough. However, "if communist candidate Gennadiy Zyuganov became president, Fedorov said that "he would accept the post of Prime Minister". During an informal "cup-of-tea" meeting with Fedorov Zyuganov described an economic model suggested by Fedorov as "constructive and wise".

In an interview with Itar-Tass Fedorov said that during the forthcoming meeting with President Boris Yeltsin he intends to outline in detail his election platform envisaging the development of minor and medium-sized business with the emphasis laid on a "private-collective" form of property built on the Chinese pattern so as to "bridge the gap between the working people and the results of their labour".

The meeting between Fedorov and President Yeltsin will take place in the near future, but it is not expected today, Itar-Tass learned from sources in the Kremlin.

Russia: Officials Says Gorbachev Strewn With Flowers, Not Slapped

LD0905101596 Moscow ITAR-TASS World Service in Russian 0945 GMT 9 May 96

[By ITAR-TASS correspondent Sergey Trofimov]

[FBIS Translated Text] Volgograd, 9 May (Itar-Tass) — The nature of the incident that occurred today during Russian presidential candidate Mikhail Gorbachev's meeting with Volgograd residents at Mamayev Kurgan war memorial and was at first seen by the local law-enforcement bodies as an assault was later reassessed by them.

The ITAR-TASS correspondent was told by a high-ranking official at the Volgograd Region Internal Affairs Directorate that policemen, who were located dozens of meters away from the presidential candidate, misinterpreted as a slap in the face a gesture made by a woman, who in fact threw a bunch of flowers to the former USSR president. The flowers did hit him in the face.

Russia: Zyuganov: Left-Wing Forces Ready for 'Share of Compromises'

MM0805150296 Moscow PRAVDA in Russian 5 May 96 pp 1, 2

[Interview with CPRF Leader Gennadiy Zyuganov by Valentina Nikiforova, place and date not given: "Gennadiy Zyuganov: 'A Patriotic Government Will Restore Justice'"]

[FBIS Translated Text] The powers that be have been stubbornly trying to drum two ideas into people's minds. The first is that stabilization has begun, and the elimination of the pension arrears in 45 (out of 89) regions attests to that, so it is claimed. The second is that a G. Zyuganov victory in the presidential election will plunge the country into a civil war and inflict incalculable disasters on the people. Here is what presidential contender Gennadiy Andreyevich Zyuganov had to say about that in a conversation held on the eve of May Day:

[Zyuganov] The country is racked by poverty and individual vulnerability, an orgy of crime, and the consequences of the "Chechen conflict." How can things get any worse?!

[Nikiforova] But the people seem calm. We have seen no mass protests against the present policy.

[Zyuganov] Calm?! I have recently visited many regions in central Russia, Bashkiria, the Urals, and Altay and there is chaos everywhere. In Voronezh, for example, there is an excellent aviation plant (one of three of its kind in the world) producing unique aircraft fuselages, and it is at a standstill because it has no orders. Altay grain growers are not buying tractors because they have no money. My fellow deputies have recently come back from Ivanovo, where the textile enterprises are standing idle. Workers from the Bryansk Machine-Building Plant came to see me: They have been paid their wages only through December last year, and even that proved difficult. They were preceded by some disabled miners from Vorkuta with problems of their own.... So there is no calm; there is boundless patience, such as is possible surely only in Russia. In any other country they would have thrown out the government if they had not been paid for a couple of months. But in our country people are patient....

[Nikiforova] Perhaps it is fear, or an attempt to put themselves in the place of the powers that be, or the habitual trust in the authorities?

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[Zyuganov] No, this is not fear. Rather, it is a rational desire to emerge from every tragic situation intact. This is in fact how I view the appeal by the major Russian businessmen who want democratic traditions to take root in our society so as to avert a bloody conflict like October 1993 and prevent Chechnya from spreading to central Russia.

[Nikiforova] There is a crafty purpose to their appeal, however. When talking about a "threat from both sides," the entrepreneurs want to pin the blame for what is happening on the opposition, starting with the CPSU [as published]. Would the authors of the appeal not do better to call for reason from the "party of power," so that it does not resort to weapons and agrees to resolve the problems of power by means of elections?

[Zyuganov] Most of all the businessmen sensed a real danger that the election might be postponed. The "party of power" is afraid of losing the election because it is not coping with the situation. People have not only had their savings and wages taken away, they are being paid a pittance for their pension and there is no confidence in the future, and this is why the authorities are ready to take away the citizen's right to remedy the situation through the ballot box. People cannot tolerate this. So anything could happen, the bankers believe. The bankers made their proposal, and we responded with an "open letter": We are proposing a meeting with President B. Yeltsin, who is also a presidential contender, live on television. After setting out and discussing positions on the key problems of Russian life at this meeting we would give moral-political guarantees that the election struggle would be normal and lawful. The left-wing forces' aim is to ensure that the election goes ahead, and they are ready to make their share of compromises.

[Nikiforova] On what conditions is the bloc of people's-patriotic forces prepared for dialogue?

[Zyuganov] On condition of saving the fatherland and preserving peace in it. There have been occasions like this in history before: the Moncloa pact in Spain and the Round Table in Poland.

We are proposing three interconnected measures: Number one — the adoption of amendments to the Constitution whereby the president's emergency rights and powers would be restricted. Number two — the expansion of the Federal Assembly's powers, including the power to appoint the government and monitor its activity. Number three — a commitment after the presidential election to hold direct elections for the leadership of local administrations and local representative bodies.

[Nikiforova] Let us suppose that the bloc of people's-patriotic forces wins the presidential election. And that, as the democrats are gleefully predicting, long waiting lines immediately form outside the stores and the clinics.

[Zyuganov] Indeed, since the "Bush's legs" episode there have been no waiting lines, but hundreds of poultry farms in Russia are closing. And the democratic press does not tell its readers about the longest waiting lines. In fact, if all the investors who have been duped were to form a waiting line it would stretch from Moscow to Baykal. If the refugees were to form a waiting line it would stretch from the Kremlin to the Volga. And if you were to raise the bitter million who have died from the grave, there would be no worse accusation to level at the regime than this cemetery waiting line. Or take the millions of unborn children: A woman nowadays cannot fulfill her natural mission of bearing children.... So the talk about waiting lines that are to come is just an attempt to exploit people's feelings and anxieties. The authors of publications should look at the statistics: Output production and per capita consumption of essential foodstuffs are falling catastrophically.

[Nikiforova] But how can this idle talk and fueling of fear be countered?

[Zyuganov] By a clear economic policy and a precise mechanism for its implementation.. At recent State Duma hearings on the economy the following figures were cited: In the past for every 100 rubles of fixed capital there were 26 rubles of circulating capital — what they call the lifeblood of the economy, which enables deals to be struck, spares and fuel to be bought.... But now the figure for circulating capital is 2 rubles. This is a vicious circle: If the economy is to be given an injection of lifeblood it has first to be made to work, but in order to work it needs circulating capital. Investments are needed now in the most dynamic spheres of the economy regardless of forms of management. That is why in our election platform we say that we support all forms of ownership and that we support the mixed economy.

[Nikiforova] Let me cite once again a "forecast" from the pro-president press: If the Communists come to power "they will take everything, they will nationalize it all."

[Zyuganov] If a privatized enterprise produces output or services, if it observes all trade union demands and pays its taxes, it must be given every support. But if an enterprise which has been floated is standing idle and its equipment and buildings are being sold off, it is necessary to instruct the specialists and experts to investigate the causes. The monopolist enterprises are now being destroyed: There used to be around 5,000 of them in the country, each producing output within the manufacturing cycle. If a monopolist plant fails

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to produce output, this brings 200-300 enterprises to a standstill and they begin to be bought up at knock-down prices, sometimes by front-men. Of course the state must have the controlling stake in them or take them into ownership.

[Nikiforova] A mixed economy is harder to manage.

[Zyuganov] We are working out a mechanism for managing it. It is possible of course, to manage it using the old command-based methods, but even Kosygin in his day sensed that they had outlived their usefulness and began to introduce economic levers. But we are going to begin by regulating tax policy. Right now 90 kopeks out of every ruble goes in tax. The remaining 10 kopeks have to pay for wages and modernize production, or at least buy equipment spares and maintain the social, cultural, and consumer sphere. Can this really be possible? So we need to reduce taxes and increase responsibility for the use of funds.

On the other hand, Russia is a vast and a cold country, and this means huge energy costs. But we have copious energy sources — 30 percent of the world's reserves. Let us cap charges for energy, then it will be advantageous for the peasant and the worker to work and the entire economy can be thawed out.

But there is another reserve: We should not be sending send raw materials abroad but processing them at home. After all, the oil refineries are working at half capacity. Almost 20 million tonnes of oil used to be refined in Novokuybyshevsk, for instance, whereas now the figure is one-third of that. Were there equivalent exchange between town and country Russia would have a breathing space. Production would start up, taxes would appear, effective demand would rise and everything would be revitalized. Moreover, we have drafted three major programs — for housing and road construction and for gasification. Roads and gasification mean a completely different quality of life, and the housing program means a breakthrough to a new kind of society. Young families are appearing, but where are they to live? No one will give them an apartment and they cannot buy one themselves for hundreds of millions of rubles. But we will provide a young family with a 20-year soft loan, under strict bank supervision to ensure that the money is used solely for housing construction. Then, once young people have a roof over their heads, they will need furniture....

We must ensure that people want to bring home the $300 billion-plus that has disappeared abroad. That money is currently maintaining a foreign economy. If we introduce a monopoly on hard liquor and vodka, such as we had under the czars, that will provide another source of revenue. While another could come from reviving the light and textile industries, since cotton from Central Asia is knocking at our door.

[Nikiforova] The current rulers have pinned great hopes on foreign investment.

[Zyuganov] Yes, they have. But in actual fact during the four years that the "democrats" have been in power foreign investors have invested more money in the Shanghai economic zone alone than in all the sovereign republics on USSR territory put together. I have asked prominent financiers and entrepreneurs: "Why are you not moving into our market?" They reply: "We do not know the rules of play, we do not know what prices will be like in a month's time. If we knew that the 'rules of play' would be observed for at least five years, despite conditions which are not very favorable for us we would come into your country because you have a promising and very favorable market." The conclusion is that it is necessary to adopt favorable "rules of play" for investors.

[Nikiforova] Gennadiy Andreyevich, suppose you become president. The program talks about the revival of people's power and clarifies that by saying "in the form of the soviets." What does this mean in practice?

[Zyuganov] Representative power has now been destroyed. Admittedly soviets have been revived in a number of areas. But the form has regrettably not been given real substance. What is people's power? Village, rayon, city, oblast, and kray representative bodies to which citizens give instructions whose implementation they are able to monitor. Remember that, when USSR Supreme Soviet deputies abolished the system of instructions, I said: "They are all bringing down the authorities." That is how things turned out. The soviets were more people's organs than the current dumas and legislative assemblies. But regrettably they had no economic base; they were penniless.

We recently sent a delegation to Sweden, where deputies studied the local self-government system. There the system is virtually 90-percent the Soviet system of power. Executive committees are accountable to deputies and voters, two-thirds of their revenue remains in the local budget, and expenditure is controlled by deputies. Reports on spending are published regularly and the head of the executive reports back regularly. What about our country? As leader of a major State Duma faction I cannot get information about what the large loans obtained by the government have been spent on. Is that really an orderly situation?

[Nikiforova] The Victory Day holiday is approaching. Incidentally, May Day was declared a day of rejoicing. What can you say about that?

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[Zyuganov] The incumbent authorities even decided to privatize the holiday. Some people will be rejoicing because they have plenty, yet it seems wrong to show solidarity with those who have been cleaned out. Working people's only protection lies in solidarity and unity. You can grumble as much as you like in the kitchen, in the smokeroom, or when waiting in line, but it is all pointless. On their own people are nothing. People have had their property, their savings, and their hope taken away. They need organization in order to defend themselves. The Socialists ruled France for 10 years, for instance, and adopted tough laws to protect the working people and provide them with a normal life. Then others came to power and decided to recover some of the gains. Left-wing and centrist organizations and trade unions assembled. Two million people turned out with banners and said: "No, we will not allow it." And the authorities gave in. If working people are unable to gather together and come to their own defense, they are not a people, they are just a population. People are now trying to rob us of our memory, our last belief, our love for the Fatherland. Yet these holidays, May Day and Victory Day, represent an appeal to what is most sacred, to the memory of generations. After all, many people have begun to forget that the victors did not merely perform personal feats or state feats. That generation saved civilization, to which something had happened in the thirties and forties. I believe that, the further the Great Patriotic War recedes into the past, the greater the respect we should have for those who won victory in it. It is shameful that veterans now have the hardest lives of all. I would like to apologize to them and say that we will do everything we can to restore what they have lost — recognition, respect, and a peaceful old age. Victory Day is indeed a holiday for tears in the eyes. It is a shame that these tears flow today as a result of insults, disorder, poverty, and humiliation. I believe that a patriotic government will restore justice.

[Nikiforova] Gennadiy Andreyevich, would you welcome the presidency?

[Zyuganov] In my opinion, the office is no godsend for anyone. Do you know how long we discussed whether we should agree to run or not? But I want the presidential election to go ahead, I want no provocations, I want people to be able to organize reliable monitoring of the voting and the counting of the results in order to legalize the mechanism for the transfer of power (the State Duma has given a first reading to a draft law on this). And I believe that it is necessary to hold a "roundtable" involving representatives of all branches of power and all presidential candidates to reach agreement on the above issues.

[Nikiforova] A "roundtable" before the election?

[Zyuganov] Certainly before the election. It is necessary to get the victor's pledge that the will of the people is sacred for him. The person who is elected must provide guarantees that he will not allow any political persecution, that he will pursue a policy of national accord. The rest must pledge to obey the voters' will.

[Nikiforova] One last question — about the press, which supports you. Do you notice it?

[Zyuganov] You offend me. We are bound to the press by notions of truthful and honest information and support for everything that is good, pure, and progressive. That is certainly in the PRAVDA traditions. We are grateful to everyone who helps to blaze a trail for justice right now. We thank the journalists from PRAVDA, SOVETSKAYA ROSSIYA, PRAVDA ROSSII, ZAVTRA, GLASNOST, and all 150 local publications plus everyone who helps publish these publications. We realize how hard and dangerous a journalist's work is, particularly now. We wish you all good health, personal happiness, and success! Take care of yourselves; Russia needs your work.

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CIS: Summit To Adopt Statement on Russian Political Situation

LD0805185996 Moscow INTERFAX in English 1223 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (INTERFAX) — The heads of state of the Commonwealth of Independent States will discuss and adopt a statement on the political situation in Russia on the eve of the presidential elections at the summit on May 17 in Moscow, CIS acting secretary Ivan Korotchenya told a press conference at the Interfax main office in Moscow Wednesday.

The leaders of Kazakhstan, Uzbekistan and Kyrgyzstan are the initiators of this statement, he said. "This issue is the first on the summit's agenda at their request," Korotchenya said.

The heads of the CIS states plan to express their support for the continuation of democratic processes and market reforms in Russia in this statement and, probably, "to determine political priorities and trends" with respect to to candidates for the post of Russian president, Korotchenya said.

"Everybody understands that any changes in Russia will inevitably affect all CIS states," he believes.

Korotchenya also reported that representatives of the CIS summit will discuss nine issues including a prospective plan of the CIS development for the next two years.

A session of the Council of CIS Foreign Ministers will be held on May 16 in Moscow, with five issues on its agenda, he said.

The heads of Russia, Belarus, Kazakhstan and Kyrgyzstan, the member-countries of the Customs Union, will meet the same day.

After their official meeting, the heads of the CIS states will meet with U.N. secretary-General Butrus Butrus-Ghali, Korotchenya said.

CIS: Executive Secretary Korotchenya Holds News Conference

LD0805210496 Moscow INTERFAX in English 1650 GMT 8 May 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [place and date not given] (INTERFAX) The CIS Executive Secretary Ivan Korotchenya visited the central office of Interfax on Wednesday May 8 to hold a news conference.

Presidential Bulletin offers a detailed account of Korotchenya's statement and his answers to questions concerning various aspects of CIS affairs.

The CIS heads of state will meet in Moscow on May 17 to discuss and adopt a statement on the political situation in Russia on the eve of the presidential election, Korotchenya said.

This statement was initiated by the leaders of Kazakhstan, Uzbekistan and Kyrgyzstan. "At their request that question was placed first on the agenda of the CIS summit," Korotchenya said.

In that statement the CIS heads of state plan to come out in support of further democratic processes and market reforms in Russia and, apparently, "find political bearings and formulate priorities" concerning presidential candidates in Russia.

"Everybody is aware that any changes in Russia will inevitably affect the other CIS countries," Korotchenya said.

The agenda of the CIS summit consists of nine questions, including a plan for the CIS development for two years to come.

Korotchenya said that the CIS foreign ministers will gather in Moscow on May 16 to discuss five questions.

On the same day there will be a meeting of the leaders of the customs union member-countries - Russia, Belarus, Kazakhstan and Kyrgyzstan.

After the official conference the CIS heads of state will meet with the UN Secretary-General Butrus Butrus-Ghali.

About the future of the CIS customs union Korotchenya said that apparently Tajikistan, Uzbekistan and a country in the Caucasus would join in soon.

Korotchenya said he arrived at this conclusion after meeting with the Russian Deputy Prime Minister Aleksey Bolshakov in Moscow on Wednesday. After one and a half hour talks they agreed that two or three countries were likely to join the customs union shortly.

"Some day the customs union will have twelve members," Korotchenya said with confidence. At the same time he added that the union would be expanding gradually.

In general he believes that the speeds of integration within the CIS will vary. "The legislations of member-countries differ greatly," he said. Korotchenya believes that Russia is two or three years ahead of Belarus in developing its legislation. However, if delegates from both countries in the parliamentary group set up to produce sample laws work effectively, the unification of legislations may take no more than twelve months.

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Korotchenya said that relations between Russia and Belarus would become an example for the others only if the heads of state displayed the political will. "Nobody will be able to set the stone rolling if Boris Yeltsin and Alyaksandr Lukashenka stay idle," Korotchenya said.

About the problem of interethnic conflicts in the territory of the former USSR, including those in Abkhazia and Nagorno-Karabakh, Korotchenya said he wanted the CIS executive bodies to play a bigger role in their settlement. He said he was surprized by the fact that the role of the CIS in that matter was belittled for some reason. Korotchenya believes that the implementation of the idea of a CIS peacekeeping force subordinate to the CIS heads of state would help improve situations in trouble spots in the territory of the former USSR.

Korotchenya recalled that some international legal issues directly concerning the CIS member-states remained unsettled, for instance, the status of the Caspian Sea, whose solution, he said, would be possible only on the basis of consensus.

The foreign ministers of the Caspian countries (Russia, Kazakhstan, Turkmenistan, Iran and Azerbaijan) will meet shortly to discuss the status of the Caspian Sea. Korotchenya blamed the unsettled problem of the Caspian Sea status on rather serious differences between the Caspian countries and said that the disputes harm their interests.

Korotchenya believes that when the Caspian countries' foreign ministers meet in conference, each country will firmly press for its interests, because the Caspian sea is rich in resources.

IF [INTERFAX] note: Russia is for the joint use of offshore deposits of hydrocarbons under the control of an ad-hoc inter-state body. Russian foreign ministry experts believe that the positions of Iran and Turkmenistan are most close to the Russian point of view.

At the same time Azerbaijan and Kazakhstan insist on the division of the Caspian sea into sectors that once existed in the former USSR as zones of responsibility of republican oil, gas and fisheries ministries.

Asked about the CIS Executive Secretariat's relationship with the Ukrainian leadership, which repeatedly made skeptical remarks about the future of the Commonwealth, Korotchenya said that he had an excellent relationship with the Ukrainian President Leonid Kuchma. Korotchenya said that when President Kuchma visited the CIS Secretariat's office in Minsk, they had a "meaningful discussion" of further cooperation within the framework of the CIS.

IF note: As he answered questions by European parliament members at a session of the Parliamentary Assembly of the Council of Europe in Strasbourg, Kuchma said that "the CIS as an association of former Soviet republics has failed to work. All future associations consisting of former Soviet republics would have the same results as the CIS."

On the whole Korotchenya believes that Kiev lacks a constructive attitude in relations with Moscow, including at the level of verbal remarks, to which he pays little attention.

Korotchenya agreed that Ukraine insisted on its "special independence" within the CIS. This is seen in the fact, he said, that at the latest CIS summit in Moscow Kiev signed only half of the agreed documents.

At the same time Korotchenya said he hoped that Ukraine, currently an associate member, would with time become a full-fledged member of the CIS economic union and join the customs union, too.

Korotchenya warned against half-baked forecasts about the future of the CIS in general and individual aspects of integration by the CIS countries, including the possibility of founding a currency union. He recalled that it had taken the European community 35 years to take its current legal and economic shape and gradually level social and economic conditions in each of the member countries. "Apparently, the CIS will have to walk the same road, although there are no ready-made formulas how to achieve what Europe has already accomplished," Korotchenya said.

As he touched upon the international and geopolitical aspects of integration processes in the CIS, Korotchenya said that in his opinion there was big political gambling underway.

Since Russia and Belarus formed a community and started moving along the way of real integration, the West's attitude to Minsk has worsened sharply, Korotchenya, an ethnic Belarusian said. "When Belarus moved closer to Russia, the West's attitude became not just cool. Some major countries simply froze relations with Belarus altogether."

Korotchenya said that conclusion applied to the International Monetary Fund, too, which, he said, had begun to intimidate Minsk and warned that it would ignore Belarus's requests, if it continued looking eastwards.

"There is big gambling in big politics, the Americans hate the Commonwealth of Independent States, it simply does not exist for them," Korotchenya said and added that the leaders of European countries with whom he had met in person saw the CIS with "warmth" and understanding, because they themselves are carrying out European integration.

Korotchenya is certain there is no such thing as disinterested assistance from the West, and that "Ukraine is being helped economically only in exchange for certain political things."

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Russia: Butrus-Ghali Denies Visit Aims To Bolster Yeltsin

LD0805192396 Moscow NTV in Russian 1800 GMT 8 May 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] [Announcer Mikhail Osokin] The UN secretary general is planning to visit Russia. A report from our correspondent in the United States.

[Correspondent] The UN secretary general, who is going to Russia next week, will for the first time have the opportunity to address all the CIS heads of state at once, which is extremely important both for him and for the Russian president.

Butrus Butrus-Ghali assembled Russian journalists in the run-up to his trip and made it clear that he sees UN contacts with regional organizations, including the CIS, as a priority. [passage omitted]

As for Russia itself, Butrus-Ghali would like to thank Yeltsin, as the leader of a great power and a member of the Security Council, in person for his active support of the United Nations. That support includes financial support. For in contrast to many other countries, Russia has paid its contribution to the UN budget; although, Butrus Butrus-Ghali did not name a sum. This is evidently not a very substantial sum, but it is of great political importance, given, as Butrus Butrus-Ghali admitted, that the United Nations is bankrupt. He sees in this an attempt to weaken its influence, all the more so in that the entire UN annual budget equals just two days of Pentagon spending.

Butrus Butrus-Ghali, whose period of office expires this year, has not yet decided whether to stand for another term. He also categorically denies that his visit to Moscow is an attempt to back Yeltsin. However, the UN secretary general's address at the summit of CIS leaders could give greater weight to this organization, something which is also a priority for the Russian president.

Russia: Ivanov Delivers Yeltsin Message to Milosevic

LD0805153396 Moscow ITAR-TASS in English 1427 GMT 8 May 96

[By Ivan Ivanov]

[FBIS Transcribed Text] BELGRADE, May 8 (Itar-Tass) — Russian first deputy foreign minister Igor Ivanov, who is currently on a tour of the Balkans, handed over a message from Russian President Boris Yeltsin to the president of Serbia Slobodan Milosevic and held with him talks on the multilateral development of Russian-Yugoslav relations today.

"The document reaffirms Russia's readiness to the broad-based development of relations with Yugoslavia in the economic and political spheres, intention to further actively contribute to implementation of peace accords on Bosnia-Herzegovina and as a whole on the Balkans", Ivanov told Itar-Tass.

According to the Russian minister, the document further said that Russian Foreign Minister Yevgeniy Primakov's scheduled for the May end visit to Yugoslavia will make an important contribution to the development of Russian-Yugoslav relations. "Besides discussing questions related to the Russian foreign minister's upcoming visit, we had discussions on interaction between our two countries on the international scene with Slobodan Milosevic. Russia's stand was reaffirmed, which favours a speedy restoration of Yugoslavia's membership of the United Nations, the Organization for Security and Cooperation in Europe (OSCE) and other international organizations," he said.

Replying to a question about the development of the peace process in Bosnia, the high-ranking Russian diplomat said "only strict observance of the Dayton agreement can ensure a durable peace there". Touching on discussion on extending the Implementation Force's (IFOR) period of deployment beyond its expiry in December 1996, discussions around which are lately going on in a number of western countries, Ivanov emphasized that such a decision can be taken by the U.N. Security Council alone on the basis of the peace process's results.

During his Balkan tour the high-ranking Russian diplomat also visited these days Zagreb and Sarajevo. He noted that at the present stage the important factor of stability on the Balkans is the normalization of relations between Yugoslavia and Croatia.

Russia, Ivanov further said, does not intend to count on Belgrade or Zagreb alone. This is not a far-sighted policy. We want to develop equal and full-scale relations with all states, that have been formed in the former Yugoslavia's territory. We think that only such a policy can ensure in full protecting Russia's interests in the region".

Ivanov is expected to meet the Russian U.N. IFOR contingent deployed in Eastern Slavonia, Baranja and Western Srem on Thursday and participate on the Russian President's behalf in the wreath-laying ceremony to pay tributes to Soviet soldiers, who laid down their lives for liberating Yugoslavia in World War II.

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Russia: Navy 'Alarmed' by Offshore Presence of NATO Subs

LD0805151696 Moscow INTERFAX in English 1418 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — The Russian Naval Command is alarmed by the active presence of NATO subs offshore Russia, First Deputy Commander-in-Chief of the Russian Navy Admiral Igor Kasatonov told Interfax Wednesday.

He said the foreign subs showed special interest in the Far Eastern zone, including the Peter the Great bay near Vladivostok, where the Pacific fleet and the Amur flotilla have their bases.

Kasatonov said he had informed representatives of the NATO Navy command in London that Russia will "not let the unwelcome visits pass unnoticed and will take adequate measures."

Russia: UK Embassy Reaffirms Foreign Office Stance on Spy Claims

LD0805113396 Moscow INTERFAX in English 1035 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — The British Embassy in Moscow hopes for a compromise on the planned expulsion of British diplomats, charged by the Russian side with activities incompatible with their status, a high-ranking embassy employee told Interfax on Wednesday [8 May] on condition of anonymity.

He found it difficult to say what the compromise would be, but gave to understand that it may concern the number of diplomats to leave Russia as personae non gratae.

The diplomat did not comment on reports by the Russian Federal Security Services (FSB) PR center that the British embassy was given a list of nine diplomats who, in Moscow's opinion, used the embassy as camouflage for intelligence activities against Russia. The FSB believes these diplomats had contact with the Russian citizen arrested several days ago and charged with espionage for Britain.

The embassy employee reaffirmed the unchanged stand of the British Foreign Office, which believes the Russian accusations to be groundless.

He did not say how many employees of the Russian Embassy in London will be announced personae non gratae in response to the British diplomats' expulsion. He referred to British Secretary of State for Foreign and Commonwealth Affairs Malcolm Rifkind, who said this would depend on Russian actions, if any, against employees at the British Embassy in Moscow.

Sources at the Federal Security Service confirmed the possibility of the compromise in a confidential conversation with Interfax on Wednesday.

"The question of embassy employees' expulsion from Russia is on the agenda, but the time and the number of diplomats to be announced personae non gratae is still to be discussed," said a source.

He implied that the problem is being tackled by higher authorities.

"We have done our work. It is up to politicians to find solutions that take into account Russia's national interests," he added.

Russia: Reasons for British Diplomats Alleged Spying Seen

MK0805131796 Moscow KOMMERSANT-DAILY in Russian 8 May 96 p 4

[Article by Svetlana Sukhova: "Knowing a Lot Harms Your Career"]

[FBIS Translated Excerpt] The threats to "take appropriate measures" put forward Monday evening [6 May] by the head of the British Foreign Ministry, Malcolm Rifkind, in response to the declaration of nine members of the British Embassy in Moscow "personae non gratae" must have swayed the Russian authorities. The briskly developing scandal has been brought to an abrupt halt. [Russian] Foreign Ministry Spokesman Grigoriy Karasin has stated that the main task now is "to avoid hasty decisions which could negatively impact on successfully developing Russian-British relations." This is, one could say, a really "successful" development: history knows not of a more serious war of special services than the one Moscow and London have been waging for several decades. [passage omitted]

The men in the Foreign Ministry are convinced today that the acute rivalry of the Russian and English special services is explained not only by long historical tradition, but also by the English being intolerant of all sorts of foreign intelligence agents at home. Beginning in 1971, it was London that was the first to start "swapping spies" — save for the two latest incidents (1996).

Two questions remain to be cleared up in the present situation: Precisely how many "spies" were discovered at the British Embassy, and why, precisely, such an action should have been necessary at the present time? Your KOMMERSANT-DAILY correspondent did not get direct answers either at the Foreign Ministry or at

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the FSB [Federal Security Service]. Official reports limit themselves to the cliched "resolute protest in connection with activities incompatible with diplomatic status." It is true that, unlike Foreign Ministry Spokesman Grigoriy Karasin, the acting chief of the FSB Public Relations Center, Aleksandr Zdanovich, did give the number of "personae" — nine. He also stressed that the note lodged with British Ambassador James Wood describes in detail what each of the "spies" did, as well as their contacts with the Russian citizen arrested for spying for Britain. However, your KOMMERSANT-DAILY correspondent managed to learn at the Foreign Ministry that official organs are avoiding giving the precise number of spies, because it might prove more than nine — there is apparently incriminating evidence against a greater number of persons. As for the nine, each of whom has been declared "persona non grata," they are not going to disappear from Moscow overnight; they will most likely be given from ten days to three months to pack. As for the grounds for the accusations? The guilt of the "spies," Zdanovich thinks, has been proven, and the decision on their expulsion was made "on the basis of a thorough verification of materials on their secret-agent operations made available by counterintelligence." He added that we are speaking of career spies rather than diplomats.

As for the second question — why is it, that for the second time since the beginning of the year, it is Moscow that takes such sharp steps — it is hard to answer. According to the FSB, the present move can be explained only by the fact that proof of the guilt of the British "diplomats" has only now been received. (It is common knowledge, however, that most special services in the world know very well of the existence on their territory of other countries' agent networks, and that they prefer to keep them "under their eye.") The men in the Foreign Ministry, on the contrary, are convinced that the scandal flared up over the number of "personae" — after all, it's as many as nine "diplomats!" It is indeed part of special services' practice to "restrain" their counterparts from going too far. There may, however, be some other reasons for conducting such an action. In particular, those of Russian internal politics. It is no secret that it is British intelligence that is one of the most active and professional of those operating in Russia. And Moscow, perhaps, wanted to get rid of the overly curious "diplomats" on the eve of "great events." (Or is it great upheavals?)

Russia: Borovoy: Spy Scandal 'Put-Up Job' To Damage Yeltsin

LD0805151996 Moscow INTERFAX in English 1418 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — Center-right Duma deputy Konstantin Borovoy, leader of the Economic Freedom Party, said Wednesday that the recent spy scandal in Moscow involving British diplomats was a put-up job designed to damage President Boris Yeltsin's chances for re-election and deal a blow to other reformists due to contest the presidency on June 16.

"This provocation has already produced a result, undermining the president's prestige both in the world arena and within the country among its citizens, its voters," Borovoy said according to a release from the Economic Freedom Party made available to Interfax.

Borovoy expressed this view at a meeting with British Ambassador to Moscow Sir Andrew Wood, the release said.

Sir Andrew said the scandal followed a Soviet period pattern and that the embassy had still been given no proof that the diplomats accused of recruiting Russians for Britain's security services had committed any offenses.

Russia: Duma Security Committee Chairman on Foreign Espionage

LD0805145796 Moscow ITAR-TASS in English 1426 GMT 8 May 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW May 8 (Itar-Tass) — "Foreign secret services are vigorously working all along Russian borders and within Russia," Viktor Ilyukhin, the Chairman of the State Duma Committee on Security, said on Wednesday. He commented at Itar-Tass request on the arrest of a Russian citizen accused of collaborating with the British intelligence.

"I have the information to warrant my saying that not only secret services which were traditionally opposed to us are now working against Russia. They were joined by new secret services, those of former union republics," Ilyukhin said.

Ilyukhin believes the Russian secret services have not yet rallied from the blows dealt to them by numerous reorganisations, but he believes they have preserved their vast potential. "It is a matter of protecting national interests of our country, and I see no reason not to publicise wide the fact of the arrest of a British spy," Ilyukhin said.

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At the same time he warned against inordinately dramatising the event. "In such cases it is necessary to show consideration for the state and development of interstate relations," Ilyukhin said. He recalled that Russia's relations with Britain had been good and unclouded in the recent years.

Russia: Estonian Embassy Confirms Diplomat's Expulsion

LD0805132196 Moscow ITAR-TASS World Service in Russian 1305 GMT 8 May 96

[By ITAR-TASS correspondent Vladimir Suprun]

[FBIS Translated Text] Moscow, 8 May — A member of the diplomatic staff of the Estonian Embassy in Moscow was today asked to leave the territory of Russia for activity incompatible with diplomatic status, the ITAR-TASS correspondent was told at the Russian Ministry of Foreign Affairs.

Estonian Ambassador Mart Helme, who, ITAR-TASS has learned, was summoned to the Russian Ministry of Foreign Affairs at 1500 Moscow Time today [1100 GMT], was told of the diplomat's expulsion. The Ministry of Foreign Affairs did not say precisely what illegal activity the Estonian diplomat has been accused of.

The Estonian Embassy confirmed the expulsion, but refused to comment on it at all. A representative of the embassy also declined to give the name of the diplomat who has been asked to leave Moscow.

Russia: Estonian Envoy Cites Documents Proving Diplomat's Spying

LD0805131796 Moscow ITAR-TASS World Service in Russian 1210 GMT 8 May 96

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[FBIS Translated Excerpt] Moscow, 8th May — Estonia's competent bodies have "documentary evidence" proving that a Russian diplomat was involved in illegal activities, Estonian ambassador to Moscow Mart Helme said today. He said this at a news conference, asked by an ITAR-TASS correspondent to comment on the expulsion of Russian diplomats who are accredited there and are suspected of activities incompatible with their status, which is allegedly being prepared by the Estonian authorities.

The diplomat said that Tallinn has made several representations to the Russian side in connection with this but has received no reply. Helme did not rule out the possibility that this would be discussed during his visit to the Russian Foreign Ministry, where he was summoned today. [passage omitted]

Russia: Chicken War Continues as Vladivostok Bans Imports

MK0805133496 Moscow SEGODNYA in Russian 8 May 96 p 2

[Analysis by Anatoliy Veslo: "Vladivostok Veterinarians Ban Realization of American Minced Chicken Meat"]

[FBIS Translated Text] Hardly had the conflict between Russia and the United States with regard to supplies of chicken meat subsided, Vladivostok's committee for sanitary-epidemiological oversight suspended, by its own decision, imports of minced chicken and turkey meat from the United States and banned its sale. The INTERFAX news agency has been advised that such a measure was caused by that inspection of some sealed packages containing these products discovered salmonella pathogens. According to information from Vladivostok's veterinarians, several cases of poisoning attributed to American minced chicken meat have already been recorded this year and the incidence of poisoning exceeds the average figure over recent years.

The impression is that the proud American bird generates in Russian veterinarians a simply categorical rejection. The February trade war sparked by the ban by Russian veterinarians of imports of American chicken meat was ingloriously lost by the Russian side. Unlike normal wars, a country which does not make war according to the rules (in this case, not in accordance with the WTO norms) is virtually doomed to defeat. The military tactics Russian veterinarians chose in the talks with the United States on the future of American chickens was based on three main premises. First, it is desirable not to import American meat. Second, should it be imported at all, it should be produced by American farmers with permission from the Russian Ministry of Agriculture and Food [Minselkhozprod]. Third, and final, even under this condition, Russian chickens are better than those from across the Atlantic. The Americans, however, dismissed all the veterinarian principles as not matching the international norms and wishes of American farmers. The result was a directive by the Russian premier permitting imports of meat and lowering import duties. Russia was offered honorable terms of surrender — the Americans agreed with the tough Russian sanitary norms on imported products.

However, as it now transpires, the veterinarians and their immediate superiors (Minselkhozprod) have not ended the war. First, Deputy Premier Aleksandr Zaveryukha announced new plans to raise the import duties

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on chicken meat, and now veterinarians would not let minced chicken meat through. This raises a reasonable question — what have [Russian] veterinarians been doing in the United States if the meat being delivered once again does not match Russian quality standards? And generally speaking, when at long last is Minselkhozprod going to regard American chickens as an exclusively culinary notion?

Russia: Russian Pilots Reportedly Being Well Treated by Taleban

MM0905084196 Moscow IZVESTIYA in Russian 7 May 96 p 3

[Report by Gennadiy Charodeyev: "Taleban Supporters Show Concern for Captured Russian Pilots, But Keep Them Under Lock and Key"]

[FBIS Translated Text] Gunmen of the Islamic "Taleban" movement in Afghanistan continue to forcibly detain the crew of a Russian Il-76. A team of doctors which visited the hostages in Qandahar concluded from their clinical research that the pilots' state of health had improved considerably on what it was nine months ago. Moreover, they had adapted to local conditions and had "come to terms with things" in the knowledge that hundreds of bodies and people, including the U.S. and Russian presidents, are working to secure their release.

Doctors from the "Zashchita" All-Russia Disaster Medical Center with the support of the Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters have visited Qandahar four times. IZVESTIYA was told by Oleg Geveling, leader of the group, that the Taleban supporters, meeting their "old friends" off the plane, searched no one and were completely indifferent to the cases and boxes with red crosses on the side — although on the first trip they had checked every fold of clothing and went through all the medical packs without exception. Clearly, the Taleban supporters were afraid at the time that the people coming from Moscow were not medics but Russian Spetsnaz troops sent to recapture the pilots.

"The Americans who accompanied our group," Dr. Geveling said, "warned us not to walk around the city. So we only saw Qandahar from a car. The city was severely damaged during the recent war. There is desperate poverty. Only men are seen on the streets. Women are forbidden to appear in public during the hours of daylight. It was surprising to find that the Afghans are pretty laid-back about Europeans, above all Russians. I was virtually embraced by a Taleban colonel who was a good Russian speaker."

The Russian pilots are being held in a small but very tidy building on the outskirts of Kabul. The building is guarded day and night by virtually a platoon of armed gunmen. The prisoners are not allowed into the city. The seven hostages live in three rooms. They sleep on mattresses with clean linen and under blankets — luxury by local standards. The hostages have been literally inundated with food — they are constantly receiving humanitarian parcels, which are delivered to Qandahar by representatives of private Russian airlines working in this part of Afghanistan. Our diplomats take the pilots newspapers and mail when they visit. The mojahedin once even allowed the hostages to speak to their wives by satellite phone.

"For some reason only two doctors were allowed access to the hostages," O. Geveling said. "In our opinion, any further restriction on the hostages' freedom could lead to their developing serious and possibly irreversible conditions."

What will happen to our pilots? IZVESTIYA was told briefly by presidential structures and the Russian Foreign Ministry: "We're working on it." The hostages' wives — tortured by the lack of news — are no longer appealing to the Kremlin for help, but are turning to the White House incumbent. U.S. President Bill Clinton has responded and has promised to persuade the Taleban leadership of the need to free the crew. But Mr. Raphel, assistant secretary of state for South Asian affairs, was shown the door for the umpteenth time when he visited Qandahar....

The Taleban supporters are not opposed to talks with the United States and Russia on the release of the hostages. But they are now making it their main condition that Washington and Moscow break off economic relations with the Rabbani regime in Kabul. "We oppose these concessions," U.S. and Russian diplomats believe. "What if tomorrow the mojahedin wanted to exchange the pilots for a nuclear bomb?"

Russia: Russians in Iran Assaulted for Violating Shari'ah Law

MM0905091396 Moscow IZVESTIYA in Russian 7 May 96 p 3

[Report by Boris Vinogradov: "Our Nuclear Power Workers in Bushehr Ordered To Live by Shari'ah Law"]

[FBIS Translated Text] You would have thought that the times when, before traveling abroad, our citizens would be summoned to an office to be told what they could and could not do once they got there were a thing of the past. It seems that Russians — who can now be found in every corner of the globe — will again be getting instructions so as to avoid the trouble that has befallen our specialists in the Iranian city of Bushehr, where a nuclear power station is being built.

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The incident occurred a month ago, but we have only just learned about it from eyewitnesses — employees of the "Zarubezhatomenergostroy" (ZAES) organization, who have returned to Moscow from Bushehr.

This is what happened. On a hot day some women construction workers decided to have a swim in their pool and sunbathe. How it was that local residents — who jealously guard the strict standards of Islamic morality — came to hear about it is not known. But as soon as the swimmers stretched out on their sunbeds a mustachioed Iranian individual climbed over the high barbed-wire fence that separates the compound from the outside world. The uninvited guest attacked the sunbathers, who were wearing the latest fashion in swimming costumes.

The attacker bruised one girl's forehead and hurt her shoulder, while another was hit on and below the back. This "exorcising of the devil" lasted a few minutes, until our men and armed guards arrived, responding to the women's screams, and chased the man, who ran off.

The incident has reached the diplomatic level. The Russian Consulate in Tehran has protested "this case of assault and infringement of personal security." The Iranian side is trying to make out that the Russian women were "breaking the laws of the host country" by revealing intimate parts of their bodies. If Iranian women go swimming, they will always wear a yashmak and a black dress down to their ankles.

It is striking that ZAES Director Eduard Akopyan told us over the phone that he knew nothing about any attack by fanatics. Judging by everything, it has been decided to draw a veil over the incident. The bruised women have returned home, allegedly because "their tour of duty has come to an end." The rest have been instructed to respect the customs of Bushehr people and to strictly observe the "dry" law — not only in drinking but in swimming procedures. The $800 million contract should be finished by March 1999.

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Political Issues

Russia: Yeltsin Addresses Victory Day Parade in Red Square

LD0905074896 Moscow Russian Television Network in Russian 0445 GMT 9 May 96

[Speech by Russian President Boris Yeltsin from the platform on Lenin's Mausoleum to the Victory Day Parade in Red Square — live]

[FBIS Translated Text] Comrades soldiers and sailors, comrades sergeants and sergeant-majors, comrades warrant officers, comrades officers, comrades generals and admirals, comrades marshals, and comrades veterans of the Great Patriotic War and defenders of the Fatherland,

Today, on the 51st anniversary of the victory of our people in the Great Patriotic War you are opening the 9 May celebrations with a military parade on Red Square. This is a tribute to the heroic Soviet Army which, in the terrible years of war, honorably carried out its duty to the people, to the Fatherland, and to the entire world. This is a ceremonial march by the Russian Armed Forces, which have by right inherited the glorious traditions of our fathers and grandfathers.

Loyalty to the Fatherland, honor and patriotism, valor and heroism, high professionalism and fortitude — these have always been and will continue to be the distinctive marks of this Russian Army of ours.

Alongside me on this platform stand our veterans, those who, at the front and on the home front, in underground resistance and in the enemy's lair, fought fiercely for the long 1,418 day to ensure this joyous day of celebration; this day which has the highest historic right to be called Victory Day.

Together with us today is the Victory Banner, surrounded with gunpowder smoke and shot through in battles. In the spring of 1945, Soviet soldiers hoisted this banner on the defeated Reichstag. For 51 years our Army has proudly carried this banner alongside other battlefield banners at victory parades by the walls of the ancient Kremlin.

Today, once again, this sacred symbol of our Motherland is flying high above Red Square, above Moscow, above the whole of Russia. Today, the entire country can clearly see the living link between the ages in our symbols and the proud spirit of our Fatherland in the unity of generations, in every one of us. Love for our Motherland and patriotism are the foundations of our victory.

Following the losses and defeats sustained by the country's Armed Forces at the start of the war, any other army would have retreated and given up its resistance but not ours.

Then, in 1941, our glorious ancestors stood, unseen, at the side of the soldiers of the Great Patriotic war, facing mortal danger: Aleksandr Nevskiy and Dmitriy Donskoy, Minin and Pozharskiy, Peter the Great, and military leaders Suvorov and Kutuzov. In its will to win, the Red Army drew on the heroic past of the Fatherland, on the inviolable friendship of the peoples and the self-sacrifice of the huge country which, as one, fought with the enemy to the death. Our victory was forged in Moscow and Leningrad, Stalingrad and Kursk, deep in the rear, and in the partisan underground.

Over 50 years have passed since then but time has no power over us. The eternal flame of memory will be in our hearts and blaze on the common graves of heroes. We must be worthy of the heroism of our fathers. We bow our heads to the veterans and heroes of war and labor. Let those killed in battle for freedom and independence of our Motherland be remembered forever.

Eternal glory to the heroes who brought the great victory. Glory to the valiant border guards, who have always had the proud privilege of taking the first blow at the sacred frontiers of the Motherland. Glory to the infantry, the main workers of the war and the mainstay of our victory. Glory to the fearless tank troops! They defeated the much-vaunted Panther and Tiger divisions and smashed the iron backbone of the fascist army. Glory to the sailors, whose striped vests instilled fear into the crack fascist units! Honor and glory to the airmen, the favorites of the Army and the rear! With their blood they won for the country superiority in the air. Glory to the martial deeds of the artillerymen of the Great Patriotic War! We shall never forget the achievements of the volunteer militia, the true fighters of the people in the resistance against the enemy. Glory to the tireless and modest workers of the Great War, the sappers, signallers, and drivers! The people's eternal gratitude to the Soviet intelligence officers, the people of legend, the heroes of the unseen front! The unparalleled deeds of the partisans and underground fighters who gave the enemy no peace either by day or by night, will not fade in our memories. We bow our heads to the nurses, medical orderlies and doctors who, under fire and in the rear, saved, treated, and restored to action thousands and thousands of soldiers and commanders. Glory to our brothers-in-arms and our allies!

Let those who were killed or tortured to death in fascist concentration camps and those who died from cold, hunger, and hard work at the plants on the home front be remembered forever. Eternal glory to the heroes of the

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Great Patriotic War! We bow our heads to the selfless workers of the home front. For four years they lived with one idea: To give their all to the front for the sake of victory.

The Patriotic War was the greatest test of people's strength, character, will, and love for the Motherland but our people withstood the test. The victory salute in May was heard all over the world. In that distant year of 1945 our people succeeded in defending their Fatherland, preserving their statehood and, reaffirming their will to live in peace and friendship with other peoples, they prevented the severance of the historic traditions of their great Motherland.

So, let us be worthy successors to the cause of our fathers! Let us celebrate this day, dear Russians, the day of great victory! Hurrah!

Russia: Over 7,000 Troops Participate in Victory Day Parade

LD0905065296 Moscow ITAR-TASS in English 0640 GMT 9 May 96

[By Sergey Ostanin]

[FBIS Transcribed Text] MOSCOW, May 9 (Itar-Tass) — Russian President and Commander-in-Chief Boris Yeltsin addressed on Thursday participants in the military parade in the Red Square devoted to the 51st anniversary of the Great Victory.

"The military parade is a tribute to the heroic Soviet Army which performed its duty to the people with honour during the dreadful years of the war as well as to the Homeland and to the entire world," the president stressed.

"The Russian Armed Forces," the Russian leader said, "inherited by right the glorious traditions of our fathers and grandfathers."

"Loyalty to the Homeland, honour, patriotism, valour and heroism, high professionalism and bravery have always been and will be distinguishing features of our Russian army," the commander-in-chief emphasised.

Following the president's speech, the anthem of the Russian Federation was rendered. Then, trumpets signaled the start of the march-past.

The parade involved 7,370 servicemen marching in 65 companies which were united in 16 regiments. Standard-bearers carried military banners of units and formations which showed heroism at the fronts of the Great Patriotic War, 1941-1945.

The march-past was opened by a company of drummers from the Moscow military musical school. They were followed by students from the Frunze military academy. Its officers bore the academy standard and five military banners of famous formations.

Parade participants also included students of the Dzerzhinsky military academy, military academies of the Russian Defence Ministry, cadets of the military institute of border troops, the Saratov military school of interior troops, a marines regiment, an air-borne regiment, cadets of Moscow's Suvorov military school (Eds: military secondary school teaching future army officers), St. Petersburg's Nakhimov military school (Eds: military secondary school teaching future naval officers).

The march-past was rounded off by cadets of the Moscow higher military school.

Russia: Yeltsin Addresses War Veterans on Victory Day

LD0805155596 Moscow Russian Television Network in Russian 1400 GMT 8 May 96

[Speech by Russian Federation President Boris Yeltsin to war veterans in the Moscow Kremlin — live]

[FBIS Translated Text] Dear, dear veterans, esteemed compatriots, esteemed guests and friends. Once again Russia is marking the great Victory Day. We are honoring those who defended our country and people, who saved Europe and the whole world from Hitler's slavery. There are services for all times. Each one of you, dear veterans of the war, has already proved your love for your fatherland, has already come under fire and withstood it. Each one of you has merited forever the gratitude of your descendants. Infantrymen and artillery men, pilots and tank crews, sailors, and the home guard, partisans and underground fighters — all of you selflessly brought the victory closer. Honor and glory to you. [applause]

For the sake of victory alone, men and women, adolescents and old people worked in the rearguard. Everything for the front, everything for victory. For almost four years this is what the people lived with, young and old. This was the spiritual strength that helped the people to hold out. That special Russian toughness is handed down from generation to generation. It is impossible to break us. [applause] The world war's fiery breath singed over 60 countries and hundreds of millions of people were cast into an abyss of grief and misfortune.

We are paying tribute to the combat achievements of the people of the United States, the Great Britain, France, Canada, Yugoslavia, Poland, China, and other countries. We hold in high regard the contribution to the victory

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of fighters of partisan detachments in many European countries, participants of the Resistance.

However, it was the Soviet Army that the world looked at in hope that fascism would be defeated. It was about that Army that our favorite war poet Aleksandr Tvardovskiy wrote:

Force has proven to force

That one force is not equal to the other
There is metal stronger than metal
There is fire more devastating than fire.

The whole world was waiting with impatience for the news of the decisive battles near Moscow, in Stalingrad, in the fiery Kursk Bulge and others. Every success in this war was a common success. Countries and peoples united into the anti-Hitler coalition and won. Thanks to this great victory, the people of the world became aware for the first time that they were capable of unity and solidarity.

Dear veterans, your strong embrace with the allies at the Elbe showed the way for the post-war world. You survived the inferno of mortal battles and endless losses; you had more rights than anyone to urge the humankind to become one single family.

This appeal fell on deaf ears then, over 50 years ago — a great loss for the whole of humanity.

True to your instructions, we are fighting today for a united Europe, for a united Asia, for a united world, not divided by the trenches of military blocs. After they routed the enemy, the victorious warriors returned to their native towns and villages. They knew there was no time to rest. The hard school of war had changed those who were at the front. Their victory was won not only over a treacherous and strong foe. It was a victory of human dignity. It inspired people, instilled in them pride and belief in their own strength, taught them a great awareness of their responsibility.

It was precisely at the front that the true value of loyalty and treachery, truth and lies, fairness and meanness, was learned. In those terrible years, those at the front acquired invaluable experience of life. When they liberated half of Europe, they returned home different people. Tired of the fighting, they were full of strength and desire to act, to create. Those who were at the front had outgrown the regime that existed at that time. They fervently believed in changes, in the fact that postwar life would be different. They wanted that very much.

Surely a soldier who returned to his village and land would not have refused to do that. No, he would have set about work and provided amenities without begrudging either effort, time or the sweat of his brow. Surely those who were at the front were hoping that there would not be any more denunciations, public abuse, fear to open one's mouth, nocturnal arrests, repressions. They were very much hoping that this would not happen any more, but by no means were all the hopes fulfilled. For all that, the desire for renewal that the soldiers came back with from the war, along with their victory, brought to life the marked, famous thaw of the fifties.

The sacred sense of truth and justice of the frontline fighters helped to open the gates of Stalin's camps and return freedom to and save the lives of many thousands of innocently condemned people. In a very few years the country was raised from the ruins. This was yet another feat performed by the wartime generation, but let me also speak of something else. For many years, because of their principled attitude, because of their experience and because of their moral stance, many frontline fighters were simply inconvenient for the leadership. Let us ask ourselves, hand on heart, was the fate of Marshal Georgiy Konstantinovich Zhukov not a typical one? It is time to say out loud, fate was not kind to the frontline fighters after the war either.

Today, on the eve of the celebration of the great victory, its most important lesson is most obvious and has the greatest force, namely that this victory was made possible only through people joining together. This is vital for us today as well. You might object and ask how I can talk of unity when a tough election campaign is underway, when the beliefs of many people are so different, when it is a case of the choice of path that Russia will take in the next century?

Yes, during the war what united us all was the fight against a common enemy, who brought destruction and death to our families, to our homes, to our country. But surely one cannot fail to notice that today we sometimes treat each other worse than mortal enemies. How can one listen calmly to appeals made to thousands of people from rostrums, appeals to fight to the last drop of blood for the sake of revenge: to fight not against foreigners, but against their own compatriots; Russians fighting Russians, our own people fighting each other? How can one be reconciled with the fact that some of our compatriots are imprisoned by blind hatred? I believe that all of us will have the strength and wisdom it takes to conquer this instinct.

Today we have to do what was not done in its own time. You, dear veterans, have defended the independence of our motherland. The generations coming after you are striving to turn it into a free and prosperous country. I am calling on you to help defend stability, calm, and civil peace in the country and to make it clear to people

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that Russia had no other option and that the need for change had been ripe and over-ripe for a long time. Who but yourselves know that a great historic task cannot be implemented without errors or losses!

Dear friends, this hour 51 years ago battles were still in progress and the enemy was putting up fierce resistance; although, everybody saw clearly that not even a miracle could save it. Its end was near, but our fathers and grandfathers were still dying in that last battle. They had made it through the war and believed they would come back home alive; instead, their mothers and wives received notifications of death already in peaceful times. How bitter and sad are memories of that!

There are many frontline soldiers in this hall, but there is not a single one among them who has not lost his or her comrades-in-arms at the front. The war took away more than 26 million lives of our compatriots. Nothing can make up for these losses! Russia's grief has not abated. I am asking you to honor their memory by a minute's silence.

I suggest that 22 June, the day of the beginning of the Great Patriotic War, should be declared a day of mourning and remembrance of the sacrifices made by our people. (applause). We are also united in sorrow on Victory Day. There is no other day that will bring together the joy and the sorrow, the tears of happiness and of inconsolable grief. That is the kind of holiday we have.

Most Russians were born after the war and it is history for them. It is crucially important, no doubt, to make the younger generation aware of the whole truth of the Great Patriotic War. This is our duty, in memory of our family and friends killed in battle, of everything we have been through.

Truth may be bitter, but veterans, like no one else, have no fear of the truth. Yes, a lot has been said about mistakes made during the war, about the indifference to the losses of life and about the true cost of the victory. However, this does not belittle in any way your achievements. On the contrary, our respect for you is ever growing.

Time marches implacably on. Many people of the war generation are no longer. The greater is the distance from 9 May 1945, the clearer one can see that our motherland would not be here today had it not been for you, dear veterans of war and labor, and for your sacrifices.

If it had not been for the war generation, there would not be present-day Russia. Just as the air we breathe, we need your experience and your wisdom. We are building the Russian state. Without your support, it will be very difficult to do that. Dear veterans: I pay you my deepest respects! Happy Victory Day, dear friends! Happy Victory Day, dear people of Russia! Happy Victory Day! [applause]

Russia: Zyuganov Says Gorbachev, Yeltsin 'Betrayed' War Dead

MM0805110696 Moscow PRAVDA ROSSII in Russian 7 May 96 p 1

[Message addressed by presidential candidate Gennadiy Zyuganov "To the Veterans of the Great Patriotic War, Home-Front Workers, Warriors of the Russian Army and Navy, and All Russian Citizens!"]

[FBIS Translated Text] Our sincere best wishes to you from the CPRF [Communist Party of the Russian Federation] Central Committee and the communist faction in the State Duma on this great holiday — the Day of the Soviet People's Victory in the Great Patriotic War of 1941-1945.

These were years of extraordinary ordeals and terrible privations and sacrifices for each family, each Soviet person, wherever he was — at the front or on the home front. But in spite of everything we held out and defeated the most terrible, the fiercest enemy in the entire 1,000-year history of Russia.

We were victorious because we were defending the freedom, honor, and independence of our native land and protecting our mothers and our children. Our victory also saved many of Europe's peoples from slavery and physical destruction.

By crushing Hitler's Germany the Soviet Union destroyed fascism, a system based on racism, violence, and genocide, and placed the misanthropic Nazi ideology in history's gallery of shame.

The Soviet soldier's feat in battle and his humanitarian mission of liberation will be inscribed forever in golden letters in mankind's book of memories. And no base slander, lies, falsification, or treachery can erase that from people's consciousness. My deepest gratitude to you, the surviving and the fallen soldiers of the Great Patriotic War.

My sincere gratitude to everyone on the home front who plowed and sowed, welded steel, turned out shells, wrought armor plating for tanks and aircraft, and sent their last piece of bread to the front for the sake of victory. The feat performed by Soviet women — the mothers, wives, and girlfriends — is immortal. It was they who actually opened the second front back in 1941 by taking on the responsibility of running the Land of the Soviets' entire national economy. It was they

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who protected and raised soldiers' children, and when necessary went to the front themselves.

Unfortunately, there is still no monument in Russia that fittingly commemorates the achievement of the women workers and the women warriors.

When the war ended, these selfsame women soldiers' hands rapidly resurrected the destroyed cities and villages from the ruins, rebuilt the plants and factories, and built millions of new homes for people to live happily in.

But there are people who have betrayed the Great Victory and the people's feat and have betrayed their compatriots both living and dead. First Gorbachev, then his successor Yeltsin let the country go to rack and ruin and defamed places that are sacred to the people. Our own "democrats" have managed to do what Hitler could not.

The Homeland has been plundered and humiliated, soldiers are going hungry in peacetime, and an attempt is being made to turn the Army into a police instrument against its own people. There are beggars and homeless people roaming the cities and villages, and you can genuinely hear complaints all across the Russian land.

Fellow countrymen! Brothers and sisters! We will not allow the Fatherland to perish. Let the shining examples set by the Great Patriotic War heroes, both named and unnamed, inspire us to resist the antipeople occupation forces and to defend what is the most precious thing that we and our children possess — Mother Russia.

Happy holiday, Dear Comrades!

Russia: Yeltsin, Chernomyrdin Discuss Taxation, Personnel Matters

LD0805170396 Moscow ITAR-TASS in English 1606 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Itar-Tass) — Russian President Boris Yeltsin on Wednesday met Prime Minister Viktor Chernomyrdin to discuss the social and economic situation in the country, preparations for the presidential election and "some issues of the personnel policy".

According to the presidential press service, Chernomyrdin reported to the president on the work done by the State Commission on the Settlement in Chechnya.

Special emphasis was laid on the problems of updating the taxation system, according to the press service. The sides emphasized that regulatory enactments aimed at updating the taxation system must be worked out and issued in the nearest future.

Yeltsin and Chernomyrdin discussed the problems facing country's defence complex. It was decided to transform the State Committee of the Russian Federation on Defence Sector into the Defence Industry Ministry of the Russian Federation. Zinoviy Pak was appointed as its minister.

The president and the premier also discussed "some matters of the personnel policy," the press service informed.

Russia: SVR Official Discusses Intelligence Community, Primakov

MK0805134896 Moscow KOMMERSANT-DAILY in Russian 8 May 96 pp 1, 4

[Interview with Aleksey Shcherbakov, deputy director of the Foreign Intelligence Service, by Ilya Bulavinov: "Aleksey Shcherbakov: I Have No Fears About the Fate of the Intelligence Service" — place and date not given]

[FBIS Translated Excerpt] Until recently economic operations were one of the most secret types of activity for the Russian intelligence services. The Foreign Intelligence Service [SVR] only recognized the fact that they were carried out, but even the name of the service's deputy director supervising economic intelligence was kept secret. KOMMERSANT-DAILY correspondent Ilya Bulavinov managed to obtain information on this area of intelligence activity and generally on the current state of the SVR from Colonel General Aleksey Shcherbakov, SVR first deputy director. It was the first time he agreed to meet with a journalist.

Aleksey Shcherbakov was born in Moscow on 20 May 1941. In 1964 he graduated from the Bauman Moscow Higher Technical College with the specialty "Engineering." Later he graduated from an intelligence school, worked in Belgium and — twice — in India. Shcherbakov has risen through the ranks from a junior operative to the SVR's first deputy director. Until his appointment to the post of first deputy director in January 1996, he was a deputy director in charge of economic and scientific-technical intelligence. Has a son, a daughter, and three grandchildren.

[Bulavinov] Economic intelligence is a relatively new direction in the activity of the Russian special services. When were economic divisions created within the SVR?

[Shcherbakov] Economic intelligence is not so new a direction in our intelligence activity. Intelligence has never been aloof from the requirements of economic development, the promotion and ensuring of our foreign economic interests. I went on business trips while a young operative, and although I had different assignments, this objective was never neglected. But in the

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early 1990's the need to separate economic intelligence into an independent directorate became increasingly evident, and currently it is one of the most important areas of intelligence activity. As a matter of fact, this applies not only to the Russian special services: Even many developed Western states, while maintaining allied relations, are trying to penetrate each other's economic secrets.

[Bulavinov] What are the main areas in the SVR's activity relating to economic objectives?

[Shcherbakov] The main objectives can be formulated as follows: To determine the scale and consequences of the foreign influence on Russia's economic development; to facilitate the processes of integration and disintegration on the territory of the former USSR; to reveal and forestall possible outside threats to national economic security; to assist the government in carrying out its policy of attracting investment from respectable foreign partners; to participate in the effort to create favorable conditions for the promotion of Russian economic interests. In addition, we are tasked with thwarting the money-laundering activities of foreign criminal groups and domestic organized crime.

[Bulavinov] Can you be more specific?

[Shcherbakov] In most cases it is a matter of safeguarding national wealth — gold, diamonds, oil, or weapons. There are also other aspects. For instance, the financing of major projects. Russia receives many proposals from certain foreign financial structures offering large sums of money, running into the billions of dollars. Furthermore, they do not request anything in exchange, and purportedly even pledge to repay loans with their own money, yet without revealing their sources or origins. [passage omitted]

[Bulavinov] What is the SVR's role in arms trade?

[Shcherbakov] Our main objective in this area is to protect the suppliers and manufacturers who sometimes have insufficient experience in international trade from unscrupulous customers and middlemen. We also analyze the situation on arms markets. In most cases arms trade is carried out through middlemen, and our objective is to find out those of them with whom one can cooperate without much risk. We check the middleman's bona fide credentials in a wide range of areas; that is, his financial status and his reputation. In principle, there are fairly numerous sources for such information — one can turn to a respectable consulting firm and to obtain the requisite data from it. But this will still be not enough to make a decision. In addition, some announcements about one's intentions to buy Russian weapons often hide bluffs or political motives. This helps them knock down prices in their dealings with other countries, to exert pressure on suppliers. [passage omitted]

[Bulavinov] Are there any criteria that render the intelligence service's involvement in the sale of military-technological products mandatory? Maybe, the sum of a contract?

[Shcherbakov] No, the sum of a contract alone does not determine that. Yet, this is an important criterion. At the same time, we are trying to sense, even when dealing with minor transactions, where flops can occur. The novelty of partners is also a major factor. I mean both a country as a whole and a specific buyer. This attracts our close attention.

[Bulavinov] Does the SVR follow the subsequent fate of the commodities?

[Shcherbakov] Yes, it does. We are trying to do so without fail. As a rule, all contracts include various restrictions, such as, for instance, a ban on reselling the goods to a third country. For this reason, the emergence of, let's say, the weapons we have sold in a "hot spot" is a cause for an investigation by the intelligence service.

[Bulavinov] What regions hold particular interest for the SVR's economic directorate?

[Shcherbakov] There is no clear geographical pattern as such. Of course, there are priorities concerning the fostering of ties with our major trade partners. But in fact the outlines of our interests are determined by the need to resolve specific problems. Once the problem of combating drug trafficking crops up, we are trying to keep an eye for it everywhere, in the Near East, Thailand, or Latin America. As for other economic objectives, the importance of some or other regions in terms of their influence on world politics is not an all-important factor.

[Bulavinov] Does the SVR monitor the activity of Russian commercial structures abroad? In particular, in connection with the capital flight?

[Shcherbakov] No, we do not deliberately monitor their activity abroad, particularly so if it is carried out in civilized forms. [passage omitted]

[Bulavinov] What are the SVR's relations with the other Russian special services?

[Shcherbakov] We have very good relations. We constantly coordinate our activities. Clearly, we do encounter isolated technical problems, but we understand each other perfectly well. This is only natural — we are closely linked with these agencies because we have the same roots. Until the present day we share a number of facilities with the Federal Security Service [FSB] and

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the border troops, such as social and medical facilities, resorts and sanitariums.

[Bulavinov] Does the SVR encounter personnel problems?

[Shcherbakov] Yes, we have had difficulties related to a personnel crunch. But the most dramatic period of personnel exodus is already over. Currently, good chaps — hard-working and enthusiastic — come to us. By the way, recently we have had an increasing number of applications asking for permission to return. But we approach such requests very carefully.

[Bulavinov] How do you assess the SVR's financial status?

[Shcherbakov] We are a normally functioning organization that is familiar with all the woes the country is going through. Yet we cannot complain about a lack of attention on the part of the president and the government. We have funds to carry out intelligence operations. [passage omitted]

[Bulavinov] Recently, the SVR leader was replaced. Has anything changed after Yevgeniy Primakov's departure?

[Shcherbakov] The SVR has already expressed its regret at the fact that Primakov left our ranks. Strange as it might be, for us the period after 1991 has been characterized by stability. And credit for that goes largely to Yevgeniy Maksimovich [Primakov]. For us he turned out to be, as the saying goes, the right man at the right time, he quickly grasped the essence of our work, and we are thankful for what he has done. We think it to be one of our main achievements that since the end of 1991 the SVR has had the opportunity of reporting directly to the leadership. There were periods when our information was reported to the top in a rehashed form. Currently our reports are passed directly, even though they may sometimes run counter to data from other sources.

[Bulavinov] How can you comment on the view that the Trubnikov-Shcherbakov tandem was called upon to replace Primakov, a man who is influential in politics and authoritative in the intelligence service? The former, first of all, as an experienced professional, whom Primakov was grooming as his replacement; the latter, as the one who has considerable connections in and influence on the government and industry.

[Bulavinov] It is not quite correct to put it this way — who can replace the former SVR director and to what extent. The most important thing for us is that since Primakov's arrival in the Foreign Ministry there have been no difficulties in relations between our two agencies, and now it is much easier to work. I can say that the country's leadership still treats the intelligence service respectfully and that the SVR is increasingly sought after.

As for me, while working within the intelligence community I have retained ties with my classmates: industrialists. I can cite the following example: I was in Khimki [Moscow Oblast] the other day to visit the "Energomash" science and production association. Imagine that its chief, Boris Katorgin, and I went to school and went in for sports together. It is sometimes very useful to meet like that, to walk around the plant. It is very difficult to work if you do not know the interests of industry, science and economic organizations; you cannot extract everything from the requests that are sent to us. We have lots of contacts with the "outside world" — I am a member of many interdepartmental commissions, including, for one, those on environmental and information security. It all gives us the sense of what they want us to do and of what help we can be.

[Bulavinov] After the "Ames case" the tide of attacks on the SVR has somewhat subsided. But the beginning of 1996 was marked by yet more scandals: the pompous arrest of Lipka in the United States; the mass descent by your former colleagues — who have not the most cordial feelings toward their former workplace — onto the television screen. To what can you attribute this?

[Shcherbakov] There have always been such campaigns. I would say that this is the backdrop against which the struggle between special services is going on. Spy-mania campaigns are not a spontaneous phenomenon, and the detention of a foreign agent is not always accompanied by a newspaper hoopla. There must be a political decision behind it, a decision dictated by multifaceted interests. Obviously, not everyone in the West likes Russia's stance with regard to NATO's expansion, its activity within the CIS, there are complaints as to whom we should trade with.

Attacks on the SVR started before Ames' arrest and did not stop after this subject had been exhausted, far from it. I can also cite a more recent example — the so-called Oleksy case. In the end those who tried to besmirch the Russian intelligence service and to deal a blow to Russian-Polish relations failed dismally. In our view, the aforementioned examples amount to a long-term action aimed at undermining confidence in the SVR on the part of our leadership and at obstructing its activity. Standoffs between foreign special services are inevitable, but they should take on civilized forms, without degenerating into outright lies. As you may notice, the Russian side has refrained from using such methods, even though we also have something to say about the activity of foreign special services on Russian

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territory. But we think that confrontation is not the best way of maintaining international relations.

[Bulavinov] The SVR has been indefatigably asserting that it is not involved in domestic politics and that it works for the benefit of Russia, not a specific political regime. But in the event of a changing of the guard after the presidential election the changes could also affect the SVR. Are you ready for that?

[Shcherbakov] The intelligence service is nonpartisan, SVR officers are prohibited from working for political parties. Naturally, they are free to vote for any candidate. We are trying to obtain information abroad as to how the goings-on in Russia affect the stance of one state or another or of a multinational economic group. As I have already said, we do not spruce up these data. I think that our leadership values our impartiality, and we hope that this is the way it will be in the future.

[Bulavinov] Yet do you have fears about the fate of the intelligence service after 16 June?

[Shcherbakov] No, I have no fears concerning the intelligence service. I'd put it this way: I do not think that changes can occur in our state that would render the intelligence service redundant.

[Interview includes the following boxed commentary by the Political Department]

Over the past several years the Russian Foreign Intelligence Service has managed to achieve nearly the impossible. Unlike the other domestic special services, not only did it manage to avoid the not-always-justified — but always painful — reorganizations and personnel reshuffles, but it also projected an image as a fully respectable and law-abiding agency, steering clear of political showdowns. The SVR has never been harshly criticized in public by the country's political leadership. Instead, as intelligence officers themselves told your KOMMERSANT-DAILY correspondent, there has been not one case where the SVR director or his first deputy has failed to deliver his weekly reports directly to the president. Yet more proof of the intelligence service's clout is that it was precisely the service's stance that largely determined Russia's attitude to NATO's expansion or the on the CIS integration.

Many inhabitants of the Yasenevo compound [SVR residence] felt a certain fear after Yevgeniy Primakov's departure. But the appointment of Vyacheslav Trubnikov, a career intelligence officer, whom Primakov systematically groomed as his replacement, as SVR director was, undoubtedly, the best possible option for them, while normal cooperation with the Foreign Ministry is, generally speaking, a cornerstone of the intelligence service's successful operation. Now, four months after the personnel changes in the SVR, one can state that they essentially passed very smoothly. The appointment of Aleksey Shcherbakov, who maintains good connections in government and industry, as deputy director worked out quite right. Furthermore, the very fact of elevating a person who supervised economic and scientific-technical intelligence proves that the SVR is capable of reacting fittingly and effectively to the changing situation in the world, ensuring the country's interests in the most diverse areas — and doing so under any regime.

Russia: Leadership's 'Holiday Week' Mailbag Analyzed

MM0805133396 Moscow ROSSIYSKIYE VESTI in Russian 8 May 96 p 1

[Unattributed roundup under the "What They Write to the Kremlin About" rubric: "Staffs Slow Off the Mark"]

[FBIS Translated Text] In analyzing the letters sent to the country's leadership by Russians during the holiday week the Administration for Human Rights highlights two new trends in the mailbag. The first is quantitative: Among those who have already made up their minds the number of those who intend to vote for Yeltsin has substantially increased. These make up 82 percent of such letter-writers. The second trend is that the number of letters by writers who in no way link their decision with any specific requests to the president has showed a marked increase. They intend to vote for him because they support the policy of democratic transformations of society, which they associate with Boris Yeltsin's name.

A large number of letters continue to come in which speak of the need to step up the campaigning and electioneering work of the public structures set up to support Boris Yeltsin as presidential contender. Correspondents are of the unanimous opinion that the work is only just beginning, while the Communists have been carrying it out for a long time not just in cities but in rural localities too.

Muscovite N. Kolchanov suggests, in the context of a Communist campaign pamphlet distributed in his apartment block which cites figures on the slump in industrial output, that attention be focused in electioneering work "on pointing out those who are really to blame for Russia's grave situation." If this is not done, the writer thinks that "the people will be hoodwinked by the Communists again."

N. Kavzel, chief livestock expert of Samara Oblast's Privolzhskiy Rayon Administration, shares the following observation: "Discussion with people during preparation for the State Duma elections gave me the feeling that many of them felt aggrieved at the authorities. And

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this grievance stems not from the difficulties which agricultural production is experiencing but from an acute dearth of contact with the authorities. Whereas previously the staff of the various rayon services were on the farms all the time, this does not happen now. I have developed the strong conviction that all of them should go out and really engage with people. This is particularly important during the period of preparation for the presidential elections."

The mailbag makes clear that the measures recently taken by the country's president to resolve a number of social problems are meeting with a positive response on the part of the population. Writers note that they are helping to increase his authority in the eyes of the voters.

From among those proposals received which are designed to increase the president's ratings the President's Administration for Human Rights singles out the following. The collective of Balakovskiy's Irgiz Joint-Stock Company (Saratov Oblast) considers that the head of state must pay the same attention to the problem of paying the wage arrears of the workers of industrial enterprises, including joint-stock companies, as he has those of budget-financed organizations. A number of refugees and displaced persons suggest that a special program to improve their living conditions be adopted. In the opinion of S. Korzh (Goryachiy Klyuch), such a program will be the best way of galvanizing the citizens of Russia living in the near abroad who will also take part in the presidential elections. Labor veteran A. Lagoda (Yaroslavl) thinks that it is necessary to issue a major statement on improving the medical service, particularly that for elderly people, before the elections.

However, some letters from citizens indicate that the decisions made by the president on social problems are not being fully implemented at local level, which leads to a new bout of social tension in labor collectives. This is notably reported by the teachers of School No. 5, Divnogorsk, Krasnoyarsk Kray.

"The city's teachers received their wages for January only in April. The city administration is not guaranteeing us our wages for the subsequent months, although it has provided the kray mass media with information that arrears have been cleared in full. The city's teachers have joined the strike movement."

The letter by Chelyabinsk pensioner M. Remez is noteworthy: "Each successive increase in prices robs you, Esteemed Boris Nikolayevich, of quite a few votes in the upcoming elections. It is intended that electricity charges be increased as of 1 May — and by a good deal. Forces hostile to democracy wish thereby to set the people against you."

The week saw numerous individual and collective letters received from citizens of Kemerovo Oblast in connection with the further worsening of confrontation between the executive and legislative branches of authority in that region. Businessman A. Chudakov describes it in the following terms: "Deputies of the Legislative Assembly are waging a real ideological war against the executive authority." In the opinion of all these writers, the conflict is having an adverse effect upon the social situation in the oblast during the preiod of preparation for the election.

Military & Nuclear Issues

Russia: Presidential Edict Creates Ministry of Defense Industry

LD0805143996 Moscow 2x2 Television in Russian 1354 GMT 8 May 96

[FBIS Translated Text] The committee for the defense sectors of industry has been made into the Ministry of the Defense Industry by decree of the Russian Federation president. Zinoviy Pak, head of the State Committee of the Russian Federation on Defense Industries, has received the minister's portfolio. At a meeting with journalists he noted that much work has to be done in accordance with the president's decree on support for the defense industry. The minister said that this document providing for considerable financial benefits to enterprises fulfilling defense orders was a real present to the Russian defense industry.

Russia: Grachev Issues Victory Day 'Order of the Day'

MM0805125196 Moscow KRASNAYA ZVEZDA in Russian 8 May 96 p 1

[Russian Federation Defense Minister's Order of the Day No. 173, signed by Pavel Grachev in Moscow on 8 May 1996]

[FBIS Translated Text] Comrade soldiers and seamen, sergeants and petty officers, warrant officers, ensigns, and officers!

Comrade Great Patriotic War, labor, and Armed Forces veterans!

On 9 May 1996 it will be 51 years since Victory Day in the Great Patriotic War — our motherland's hardest and bloodiest battle for freedom.

Our Great Victory conferred independence on enslaved peoples, dealt a crushing blow to the ideology of Nazism, and predetermined the development of civilization on the basis of the ideals of humanism, justice, and good.

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The victory was achieved jointly with our anti-Hitlerite coalition allies. But the decisive contribution to the crushing of fascism was made by our people and their Armed Forces. They demonstrated the highest patriotic spirit, eternal love for the motherland, and an unprecedented will to win.

During the war years the best traits of the fatherland's soldiers were fully revealed: loyalty to the motherland, faithfulness to military duty and the oath, steadfastness, courage, and heroism. Unity of the peoples, mass heroism at the front, and heroic labor at the rear — this was the main source of victory. Millions of our fellow countrymen fell on the long, hard road toward it. May their memory live for ever!

The heroic traditions of Great Patriotic War frontline soldiers have been inherited and are being continued by the current generation of defenders of the fatherland. In daily life and combat training and in the extreme conditions of war the Russian Federation Armed Forces are religiously fulfilling their duty to the motherland, showing a high degree of combat readiness and vigilance, and displaying courage and heroism. Russia can be certain that its Army is ready to protect the state from any encroachments and to ensure the country's national security.

I greet Great Patriotic War veterans on the Victory Day holiday!

I greet Russian Federation Armed Forces soldiers, labor and military service veterans, and all Russian Federation citizens who have made their own contribution to the crushing of fascism, on the celebration of the Great Victory!

To mark the 51st anniversary of victory in the Great Patriotic War I order:

A 30-gun celebration salute is to be fired at 2200 hours local time 9 May 1996 in the hero-city of Moscow, capital of our Motherland; in the hero-cities of St. Petersburg, Volgograd, Novorossiysk, Tula, Smolensk, and Murmansk; and in the cities of Kaliningrad, Rostov-na-Donu, Samara, Yekaterinburg, Novosibirsk, Chita, Khabarovsk, Vladivostok, and Severomorsk.

[signed] Army General P. Grachev, Russian Federation defense minister

Russia: Grachev Confident in Improved Military Hardware

LD0805204696 Moscow INTERFAX in English 1722 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — Russian Defense Minister Pavel Grachev is now confident that with the promotion of the Russian State Committee for Defense Industry to the status of a ministry, the Russian army will have much more state-of-the-art hardware, essential for protection of national interests, when Victory Day is celebrated next year.

Grachev told Interfax Wednesday that the setting up of the new ministry by a presidential decree will make it possible to "concentrate on priority lines of technical and technological improvement of the Russian armed forces." This process will tangibly accelerate military reform, he said.

The newly appointed Defense Industry Minister, Zinoviy Pak, who holds a doctorate of science in chemistry, told Interfax that the ministry should start by defining its priorities.

"One cannot do everything at once. We do not need to duplicate the achievements of other countries, even though these should not be ignored. We have to step up work in the fields where we are much ahead of other countries," he said. Pak believes that there are numerous fields of science and technology where this is the case.

Pak does not believe that the new ministry will need a lot of budget appropriations. "The complaints about shortage of finances are often only excuses for ineptitude. Funds are available but they should be spent intelligently. We will work on this, too," he said.

Russia: 'Fissionable Material' Not Smuggled by Ex-Scientist

LD0805162296 Moscow ITAR-TASS in English 1456 GMT 8 May 96

[FBIS Transcribed Text] KRASNOYARSK, May 8 (Itar-Tass) — The Security service of the Russian Siberian city of Krasnoyarsk partially revised its earlier statement on Wednesday and said that the scientist, who had been arrested for producing and exporting over a kilogramme of radioactive materials, was not selling fissile stuff.

Konstantin Morev, a spokesman of the Krasnoyarsk security department, told a press conference that the scientist was not selling "plutonium or any other fissionable material".

He said that was a dual-purpose substance which could be used, in particular, as a coating for ballistic missiles.

"The talk is about a very solid and highly heat-proof material", Morev said.

However, the spokesman did not give either the affirmative or negative answer to a Tass question whether the material could be used as a nuclear weapons cover.

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The material was developed and patented by a laboratory of the Krasnoyarsk Technical University, formerly the Polytechnical Institute, but its authors had nothing to do with illegal exports of it, Morev said.

The proceedings were instituted against a director of a commercial firm, a former researcher himself who could have been aware of the material from early stages of its development, Morev noted. He added that the man will stand trial "for illegal exports of dual-purpose materials."

Morev declined to disclose a country (or countries) which had bought the substance. He said that the amount of the material exported could range from one to ten kilos.

In an interview with Tass, a spokesman for Russia's Federal Security Service also confirmed that the substance in question was not fissionable and that Article 78-prim, paragraph 2 of the Criminal Code, "illegal exports of dual-purpose materials," applied to the case.

If the crime involved nuclear smuggling, Article 223, paragraphs 2, 3 and 5 of the Criminal Code, would then apply, spokesman Boris Kostenko stressed.

Kostenko said that the proceedings were instituted by the Krasnoyarsk Prosecutor's Office against a certain local resident, b. 1955, in April 1996.

Initially, the defendant had been asked to give a written undertaking not to leave Krasnoyarsk. Then, he was arrested but released after he offered a "relatively high" deposit instead of bail.

The spokesman did not rule out a possibility that, with new details of the crime coming into light, the man might be arrested again.

On Tuesday, the press service of the Krasnoyarsk Security department reported that the scientist, who was employed by a Krasnoyarsk-based research facility, had invented technology for manufacturing radioactive materials in his lab and successfully produced and sold abroad more than one kilogramme of radioactive materials that can be used for military purposes.

He used the so-called "explosion technology" developed by himself a few years ago to produce powder consisting of particles almost as hard as artificial diamonds. The process of obtaining radioactive materials was carried out in the lab using existing technical installations. The technology was patented and has no analogues in the West.

The Krasnoyarsk region is known for its two "nuclear cities" — Krasnoyarsk-26 and Krasnoyarsk-45. The world's biggest manufacturer of weapon-grade plutonium was located in the first city, while Krasnoyarsk-45 produced enriched uranium until the year 1987.

Federal Assembly

Russia: Yeltsin Sends Two Legislative Bills to Duma

LD0805221796 Moscow ITAR-TASS World Service in Russian 1535 GMT 8 May 96

[FBIS Translated Text] Moscow, 8 May (ITAR-TASS) — Russian President Boris Yeltsin has sent by way of a legislative initiative two bills to the State Duma: "On changes and amendments to the Russian Federation Law 'On the Internal Troops of the Ministry of Internal Affairs of the Russian Federation'" and "On Changes and Amendments to the RSFSR Law on Administrative Offences." This was reported by the Russian president's press service.

An explanatory message accompanying the bills says that they take account of suggestions made by ministries and other federal state authorities "aimed at increasing the role of internal troops in ensuring security of the individual, the society and the state, protecting the rights and civil liberties of the citizens from criminal and other unlawful infringements."

The message says that introduction of changes and amendments to these laws will not require additional funding.

Russia: Parliament Said Preparing for Communist Victory

LD0805165496 Moscow ARGUMENTY I FAKTY in Russian May 96 No 19, (Signed to press 6 May 96) p 2

[Unattributed, untitled report from the "Political Salad" column]

[FBIS Translated Text] Only the uninitiated might think that Duma deputies do nothing but swear at one another. In actual fact painstaking work is being done in the depths of the State Duma to produce new laws. Some of them, our informants in the Duma point out, are being prepared in case of a victory by G. Zyuganov. Proposals include adopting something resembling a law on purification. Once it is adopted, people connected with President B. Yeltsin will not be able to occupy state posts. There were suggestions that such a law should be adopted at the beginning of the 1990s with regard to important former party officials, but Yeltsin did not do it.

A future president's office is being set up based on personal alliances in the State Duma. The dominant position of the Communist Party of the Russian Federation

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faction and its closest allies is being used. New employees are being interviewed. Moreover, the nature of the questions suggests that information is being gathered on candidates by professionals at the Federal Security Service.

Russia: Duma Hears Report on Chechen Ambush Incident

MM0905102896 Moscow SOVETSKAYA ROSSIYA in Russian 5 May 96 p 2

[Abbreviated account of report delivered by Lev Rokhlin, chairman of the State Duma Defense Committee, at 26 April Duma session: "The Army Fell Into an Ambush"]

[FBIS Translated Text] It was announced the other day that Yeltsin is going to Groznyy — to thank the military, to meet with the elders, to give things a boost.... Before that, the well-known General Lev Rokhlin, who would not accept a Star after the storming of Groznyy, had returned from Chechnya after the investigation of the loss of a convoy. And here is how he interprets the tragedy our servicemen are experiencing in Chechnya.

The tragedy of the gunning down of the 245th Motorized Infantry Regiment convoy was a consequence of its being ill-prepared for the conduct of hostilities.

The history of the formation, deployment, and combat activities of the regiment is typical of a great many such regiments and brigades of the Defense Ministry and MVD [Ministry of Internal Affairs] troops fighting in the Chechen Republic.

The regiment's losses, from the time of its entry into the zone of hostilities, total 220. In the past four months alone the regiment has suffered three tangible blows: the first was when the Dudayevites seized blockhouse No. 24, when because of the total breakdown of vigilance the sentries were disarmed, 31 servicemen were taken prisoner, 12 people were killed, and eight were wounded; the second was in the fighting for the population center of Goyskoye, in which, because of a wrong decision, 24 people were killed, 41 wounded, and three went missing; and the third was the gunning down of the convoy on 16 April, in a ravine 1.5 km north of Yaryshmardy, where as a result of disorder, tactical incompetence, lack of coordination, and loss of vigilance, 73 servicemen were killed and 52 wounded, and six infantry fighting vehicles, one tank, one armored reconnaissance vehicle, and 11 trucks were destroyed. The regiment has also regularly sustained smaller losses.

This situation arose primarily because of the Defense Ministry leadership's failure conscientiously to fulfill its duties.

The Defense Ministry leadership is to blame because in reducing the Army from 3.5 million to 1.7 million men, it failed to retain fully manned, highly trained, and fully equipped formations and units.

Experience shows that the presence of two or three such divisions from the very beginning of hostilities could have ensured the prompt resolution of all military questions in Chechnya. There were no such divisions, despite the fact that the Western Group of Forces alone had 18 of them prior to its withdrawal to Russia.

In order to find a way out of the situation that had arisen, following the fiasco of the taking of Groznyy, the Defense Ministry leadership decided urgently to deploy units with reduced manning and send them to the zone of hostilities. One such unit was the 245th Motorized Infantry Regiment, stationed at the population center of Mulino near Nizhniy Novgorod.

Within a 10-day period — 8-18 January 1995 — the regiment's list strength was increased from 172 to 1,700 servicemen on the basis of reinforcements in the shape of a draft contingent from the Far East Military District and officers and warrant officers from within the Army. Urgent attempts were made to develop teamwork and coordination, but because of the lack of time this could be done only at platoon level, without holding company, battalion, or regimental exercises. Furthermore, the posts of riflemen, machine gunners, grenadiers, and snipers had to be filled by untrained soldiers whose initial training usually takes three to six months, not the 10 days that were allowed here.

So even as it left for Chechnya the regiment was already...doomed to suffer losses.

That fate was exacerbated by other mistakes by the Defense Ministry. One such mistake was the decision to replace officers in the zone of hostilities every three months. During the regiment's time in Chechnya the officers have been changed four times. Meanwhile the level of professional training of the officers sent in as replacements has steadily declined....

A second error is connected with the replacement of lost personnel by volunteers straight from the military commissariats, without preliminary training, relying on the skills they had acquired earlier during their compulsory period of service. Many of those drafted in were placed outside their own specialty, many had only poor previous training in the Army, and basically they all became "cannon fodder."

The defense minister forgot how the reserves were trained for Afghanistan, when officers spent months in the officer reserve battalions, while soldiers were sent

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to combat units only after intensive combat training in training subunits lasting at least four months.

The third error is connected with the lack of adequate control and assistance to the troops on the part of both the Defense Ministry and the country's leadership.

Many combatant units, especially among the MVD troops, are only 70 percent manned and 50-60 percent equipped with equipment in good working order. For some months servicemen are not paid their wages, and there are hitches in the supply of food and kit to the units. Often there is unprecedented media pressure on the Army.

The Army leadership is insufficiently tough in calling people to account for losses. The defense minister has again forgotten how people were called to account for this in Afghanistan.

Ministry leaders are rare guests in the Chechen Republic, and if they appear at all they go no further than Severnyy and Khankala airports, after which they fly away in a hurry....

The country's leadership is also to blame for what happened, having allowed this situation to arise among the troops because of its lack of attention and slackening of oversight of the power structures.

How could it happen that now, apart from the lack of fully deployed units, there is a lack of combat hardware in Chechnya? Not only have the troops been withdrawn from the Western Group of Forces, there were also the Central, Northern, and Southern Groups, the Group of Forces in Mongolia, and the Northwestern Military District.

The onslaught on the Army in the period of "democracy euphoria" was not stopped in time, as a result of which the Army found itself without its draft contingent. The units did not have the soldiers. The officers were having to do guard duties.

Nor was monitoring of the reform in the Armed Forces set up. The reduction affected mainly combat units, leaving a great many superfluous directorates, institutes, and enterprises whose prompt elimination would have increased the manning level of combat units and the level of provision for them.

And, last and most important, the Army was left without funding. Officers are not paid for months on end. They are no longer worried about combat training or the mastery of a combat specialty. The question facing them is how to survive. The soldiers are not getting enough to eat. The troops are not receiving the necessary equipment, without which combat tasks cannot be carried out to a high standard.

In Chechnya, the defense minister and the state leadership have become hostages to the attitude to the Army and their own mistakes.

Apart from the above-mentioned objective factors, in the case under review there were also a series of gross professional errors both actually within the 245th Motorized Infantry Regiment and the neighboring 324th, and in the leadership of the Defense Ministry operations group.

In the course of preparations for the dispatch of the 245th regiment convoy from its station near Shatoy to Khankala for material resources, planned for 15 April, the command and staff of the operations group (commanding officer Major General Kondratyev) committed serious violations of the established procedure for preventing attacks by bandit formations on the troop convoy. The commanding officer did not personally take charge of the planning and preparation for the escorting of the convoy, entrusting these matters to the chief of staff of the operations group.

The staff, in the course of preparations for the escorting of the convoy, did not specify the tasks of unit commanders in whose zone of responsibility the convoy's route lay, and did not organize collaboration of men and equipment at the base centers to rebuff possible attacks on the convoy. The commander of the 324th Regiment was not given written instructions on escorting the convoy. The staff did not demand a report on the readiness of the route from the commanders of the 245th and 324th Regiments. The order concerning the need for two command-staff cars to be present in the convoy to organize reliable communications was broken. Air support was not allocated, although the convoy was not released from Khankala until 1200 hours on 16 May because of bad weather conditions.

The gunmen's surprise attack on the convoy was possible as a result of poor training, negligence, and loss of vigilance among the command and personnel of the 324th and 245th Regiments, which had spent a long time in a region which had signed peace agreements. The majority of permanent blockhouses in the regiments' zone of responsibility had been removed. The most dangerous localities were not being "worked over" by fire power.

The commander of the 245th Regiment, despite the presence of direct communications, did not organize collaboration with the commander of the 324th Regiment. The decision of the commander of the 324th Regiment to escort the convoy in his zone of responsibility, where the convoy was destroyed, had not been worked through. A reconnaissance of the route had not been done and

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temporary blockhouses had not been erected in the dangerous sectors, enabling the gunmen to make advance engineering preparations and carefully disguise their firing positions in sectors of the locality that were suitable for an ambush.

A check on the state of affairs at the base centers showed that the 324th Regiment has serious shortcomings in its service and combat activity. Information on the convoy's passage from the blockhouse was not conveyed to the regiment's command post; the armored group dispatched by the chief of the regiment's staff to assist the convoy was sent back by the regimental commander.

The commander of the 245th Regiment, for his part, on dispatching the convoy, appointed as its officer in charge the regiment's deputy commander for arms — a person not competent in matters of combined- arms combat. In terms of combined-arms commanders, the highest-ranked person among the convoy protection personnel was a platoon commander.

In the course of the escorting of the convoy, reconnaissance of the locality by means of foot patrols was not carried out, even in the most dangerous places. Flank guards were not posted in the most dangerous sectors, nor were commanding heights on the route occupied. Reserves of men and equipment were not formed in the regiment to grant speedy assistance to the convoy. The absence of reserve communications made it impossible to convey an immediate signal to report the attack.

The fighting took the following course.

At 1420 hours in the region 1.5 km south of Yaryshmardy the convoy fell into an ambush staged by a large gang of gunmen including foreign mercenaries. Because the commander's car was destroyed in the first minutes of the fighting and the officer in charge of the convoy, Major Terzovets, was killed, the communications company NCO tried to transmit a report on the attack by portable radio, but it was not received.

According to the report of Lieutenant Colonel Romanikhin, commander of the 245th Regiment, at 1440 he heard explosions coming from the direction of the ravine. At 1445 he instructed the commander of a reconnaissance company which was in temporary blockhouses in the Argun ravine to go to meet the convoy, clarify the situation, and offer assistance if necessary.

At 1530 the commander of the reconnaissance company reported that the company had come under severe fire on the southern outskirts of Yaryshmardy, there were wounded, and he was consolidating his position.

At 1600 the regimental commander dispatched an armored group he had formed, headed by the commander of the 2d Battalion, tasked with swinging around Yaryshmardy, destroying the enemy's firing positions by means of fire from tanks and infantry fighting vehicles, and breaking through to the convoy together with the reconnaissance company. At the same time the regimental commander instructed his deputy Lieutenant Colonel Ivanov, who was near the population center of Goyskoye with the 1st Battalion, to dispatch an armed group from the direction of the 324th Regiment for the same purpose.

At 1650 the commander of the 2d Battalion reported that he had destroyed by means of tank fire two machine gun crews on the southern outskirts of Yaryshmardy, and was advancing toward the convoy. At 1730 he reported that he had reached the convoy. The armored group from the direction of the 324th regiment arrived at the same time. At 1800 the Dudayevites' resistance ceased.

The analysis cited shows that urgent measures are required to put right the activity of the Integrated Grouping of Forces in the Chechen Republic and the Russian Federation Defense Ministry, and also to ensure the defense and security of the state as a whole....

Gen. L. Rokhlin goes on to speak about increasing the accountability of the power ministers for the state of affairs in Chechnya; the need to coordinate the actions of the power structures; and serious training of officer personnel. It is important at the same time to make provision for special incentives to encourage service by officers, warrant officers, sergeants, and soldiers over and above the set terms.

The speaker proposes that the least combat-capable units in the Chechen Republic be urgently replaced with trained troops. Intensified training should be organized urgently both at special training camps for officers and in the training subunits of personnel destined for the replenishment of units in the Chechen Republic.

L. Rokhlin believes that the State Duma should propose to the government that it adopt a decision on the production of the most essential military equipment, first and foremost means of communication, control and command equipment, and all kinds of reconnaissance and electronic countermeasures equipment; and that it adopt measures to provide all-around support for the troops, including the prompt issuing of pay and material supplies.

It is also proposed that a revision be carried out of all directorates, reduced-manpower units, bases, arsenals, institutes, test ranges, enterprises, and other institutions of the Defense Ministry, reducing their personnel and

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structure to reasonable limits. The necessary quantity of fully manned, combat-capable divisions should be created, capable of resolving any local internal conflict if necessary.

In view of the country's extremely complex economic situation, it is expedient, the speaker says, to define tasks in the sphere of ensuring the defense and security of the state for the immediate and long term.

It is proposed that the following be deemed tasks for the immediate future:

The prevention of foreign aggression directed against Russia by means of nuclear deterrence.

In this connection all possible enemies must know for sure that we have no claims against any country, but that at the same time we have the resolve to cut short any foreign aggression by using the nuclear potential.

It should be admitted that until Russia gains strength the main danger in the immediate future is represented by internal ethnic conflicts.

In order to be able to halt them promptly, it is necessary to have a combat-capable integrated grouping of all the power structures.... It is easier and cheaper to amend an article of the Constitution or a law than to generate, in parallel in the various power structures, divisions and organs that duplicate one another.

As for the longer term, the speaker notes, we face a choice as to which power structures we need. Some say that the army should amount to 1 percent of the country's population. Others try to make its composition and structure dependent on external threats. But given the state's present poverty, whatever splendid structure may be proposed, if it is "beyond our means" it is doomed to failure. An army cannot exist when people do not get their pay for several months on end, when the soldiers do not get enough to eat, and when not a single tank is renewed in the course of a year.

Therefore, for the sake of the long-term future, the main task must be to reduce the power structures on the basis of their tackling on a comprehensive basis all the tasks of ensuring the defense and security of the state, and to maintain on this basis the priority spheres of the creation and production of arms.

This will make it possible, given favorable conditions, to ensure the necessary level of equipment of the Army and Navy in future.

In order to implement this, it is proposed:

1. To define an integrated concept of the further organizational development of all the power structures in the interests of ensuring the defense and security of the state, with a strict framework being established for each of them.

2. To establish norms for the funding of each power structure, determining the level of appropriations under the article "National defense" as not less than five percent of GDP.

Here special priority should be given to maintaining promising areas of research and development and arms production.

3. To create an integrated, permanent, professional organ under the leadership of the Russian Federation president for control and coordination of the activity of all the power structures and their organizational development and reform.

This organ should be subject to independent inspection which could report the true state of affairs in a given structure truthfully and objectively.

4. To ensure the prestige of military service and the fulfillment of military duty as the most difficult and dangerous profession.

To revive the military-patriotic education of the population on the basis of the historical and cultural traditions of the Russian people.

And finally, to resolve servicemen's social problems.

Finally the speaker noted that the Defense Committee has drawn up a draft law on the status of servicemen which proposes a differentiated approach to the service and duties of servicemen, and that it is planned to hold parliamentary hearings on the problems of military reform.

L. Rokhlin asked the Duma to send his report to the president.

Regional Affairs

Russia: Yeltsin's Chechen Visit 'Impossible' for Security Reasons

LD0805162496 Moscow INTERFAX in English 1438 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) — Russian President Boris Yeltsin's visit to Chechnya is out of the question now for security reasons, Interior Minister Anatoliy Kulikov told Interfax Wednesday.

Kulikov said that he as the interior minister is responsible for the president's security.

"Such a visit is impossible now, but the law enforcement bodies will do their best to make it possible later," he said.

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Asked by Interfax about the possibility of putting off the presidential elections scheduled for June 16, Kulikov said: "Forget it. The Russian president has said so on numerous occasions."

Russia: Tikhomirov Foresees End to 'Main' Chechnya Operations

LD0905114696 Moscow ITAR-TASS World Service in Russian 1453 GMT 9 May 96

[By ITAR-TASS correspondent Oleg Artyushin]

[FBIS Translated Text] Groznyy, 9 May (Itar-Tass) — The federal forces' main military operations against illegal armed units in the Chechen Republic could be completed in one to one-and-a-half months, after which routine police operations are to begin. This was said in Groznyy today by Lieutenant General Vyacheslav Tikhomirov, commander of the group of federal forces in the Chechen Republic, who was taking part in the ceremonies at the Severnyy airport to mark the 51st anniversary of victory in the Great Patriotic War.

Commenting on statements by illegal armed units' leaders about switching to guerrilla warfare tactics, the general told journalists: "What they are trying to scare us with is not really guerrilla warfare. It is just bandit attacks in order to show their pretended strength."

Acknowledging that the illegal armed units' new tactics could pose problems for the troops, Gen. Tikhomirov stressed that "the scope of bandit units' actions is going to become narrower, while their capabilities are going to become more limited." At the same time, the general drew attention to the high morale among the federal troops. "The people are riding on the crest of a wave now that they can see the results of their work," he said.

Having admitted that during the winter, the troops experienced "certain difficulties," Vyacheslav Tikhomirov said that now the situation has changed. The general regards himself as an advocate of peaceful settlement of the crisis in the Chechen Republic. He believes that such an approach, along with taking the national psychology into account, has become "the main method" of action of the troops under his command.

Touching upon the peaceful solution of the crisis in Shali, Gen. Tikhomirov stressed that in that case, reason has won, in contrast to the situation in Sernovodsk and Novogroznenskiy, "where infighting among the bandits prevented the implementation of a peaceful plan."

At the "Severnyy" airport today, there was not only a military parade, but also a rally in which local residents and veterans of the Great Patriotic War participated. Wreaths were laid at a monument to soldiers killed during the restoration of constitutional order in the Chechen Republic. The pilots of military helicopters showed off their skills in demonstration flights.

Russia: Tula Oblast Veterans Receive Personal Letter From Yeltsin

MM0805144796 Moscow KOMSOMOLSKAYA PRAVDA in Russian 8 May 96 p 2

[Report by Valeriy Otstavnykh: "Yeltsin Becomes Pen Pal of Tula Veterans"]

[FBIS Translated Text] Tula — On the eve of Victory Day the Tula front-line veterans, who rarely look in their mailboxes, suddenly started noticing envelopes in them. Not just ordinary envelopes, but government ones, sent personally from the country's president. Although the text of the letters was printed, each one was addressed to a specific veteran. The name and patronymic of the veteran was also to be found within the actual text. Thus Boris Nikolayevich tried to really reach each and every front-line fighter on the eve of the presidential election, despite the considerable printing costs.

Russia: Kaliningrad Administration Head Interviewed

WS0805113696 Kaliningrad KALININGRADSKAYA PRAVDA in Russian 18 Apr 96 p 2

[Interview with Kaliningrad Oblast Administration head Yuriy Matochkin by N. Borovskaya; place and date not given: "Yuriy Matochkin: 'Let Us Compete With Program in Hand'"]

[FBIS Translated Text] [Borovskaya] **Unexpectedly for many, you have put forward a legislative initiative to shift the time for the local elections. Please, you must agree that this has created a quite complicated situation. How would you comment?**

[Matochkin] To be exact, an initiative to shift the elections has emerged not from me, but from the Presidential Administration. We were going to hold elections on 16 June and combine them with the presidential elections. We, however, received an official answer from Moscow which referred to a presidential instruction in which we were insistently recommended to not combine the elections.

[Borovskaya] **We also received such recommendations before, but you insisted on combining the elections. What has suddenly influenced your decision?**

[Matochkin] At first we pinned our hopes on a meeting with Yuriy Baturin, [presidential adviser on national security], who visited our oblast or on Yegor Gaydar's [leader of Russia's Democratic Choice] meeting with

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the president. We thought that they would help us persuade Moscow to permit us to hold combined elections. But this did not work out. Then Federation Central Election Committee Chairman Nikolay Ryabov delivered a report to us at the meeting of the Council of the Federation. He warned that the Central Election Committee is drafting its own resolution and the Central Election Committee and the General Prosecutor's Office are drafting their joint explanation regarding the combining of elections. These documents were published when our Duma was holding its unscheduled meeting. But I knew about them before. All these circumstances resulted in the fact that I proposed that the oblast Duma discuss its earlier decision on elections and to revise it.

[Borovskaya] To what extent does such a decision not correspond to the local legislation? Will the oblast Duma continue to be legitimate? Its term of office expired on 27 March.

[Matochkin] I would not comment on the situation of our Duma. I think that it is contradictory. On the one hand, the Duma was elected for only two years. On the other hand, a decision has been adopted to prolong its powers. I believe that a prosecutor would be able to comment on the situation more competently.

[Borovskaya] What should candidates for the governorship do now? For example, what should Leonid Gorbenko, who has managed to register his candidacy, do? Should he conduct his campaign for six months?

[Matochkin] According to the law, an official election campaign begins two months before the elections. I agree that certain nuances have emerged. I am not ready to analyze them. In addition, it is not a primary issue for me. Let the oblast election commission provide explanations regarding this issue. I know that this issue was raised at the meeting of the oblast Duma, but it was not developed further. According to the new term for holding elections, the submission of documents for registration was shifted to 6 August. A normal election campaign has already been launched and will proceed.

For me, 16 June — the day of presidential elections — is of interest. This being the case, local elections are a secondary issue.

[Borovskaya] Do you believe that presidential elections can change the situation radically?

[Matochkin] It will not be changed radically in such a short time. But in principle, it could change. Depending on the results, a question — what should one do — will emerge for many. Now our work will be directed at ensuring presidential elections and preparing for them. Later it will be necessary to plan the work regarding local elections.

[Borovskaya] Do you still intend to run for governor?

[Matochkin] Yes.

[Borovskaya] What is your family's attitude toward this?

[Matochkin] Negative.

[Borovskaya] I would like to receive a clear explanation from you. On the one hand, your behavior, your appeal to the oblast Duma you explain by the fact that one cannot too stubbornly disagree with the president. On the other hand, you do not agree that this stubbornness has already provoked certain activities — on the part of the presidential team — pertaining to the oblast economy. But your opponents say that we have not received billions of rubles to celebrate the 50th anniversary of our oblast precisely due to this reason. What, in fact, is taking place?

[Matochkin] I can comment only on specific documents and specific facts. There is nothing like this behind the statements of my opponents. No one promised us billions of rubles and no one refused to issue them to us. We ourselves requested 39 billion rubles [R] and $200,000 in the government [as published] to hold our festivities referring to a presidential edict on celebrating the 50th anniversary of our oblast. Today work is going on in this direction. There is Chernomyrdin's resolution to render us financial assistence. The Finance Ministry has drafted relevant documents, according to which a loan to the tune of R68 billion must be issued to us from the budget in the form of a transfer. But we do not profit from this, because we will not receive anything from mutual accounts. Therefore, we are asking the government that a loan be granted to us from the Finance Ministry's debts to our region. As regards the celebration of the oblast jubilee, the plan of measures has been approved, the work is going on and there are no any foundations to think that someone wanted to "punish" us for stubbornness.

[Borovskaya] In mid-March, a delegation of our oblast visited Minsk and on 2 April presidents of two states — Russia and Belarus — signed a treaty on the establishment of the Community of Sovereign Republics. Is there any connection between these two events?

[Matochkin] Our visit to Belarus was one of small bricks for a building which the two presidents began to build. On the eve of our visit to Belarus, I was in Moscow, where issues to be discussed with the Belarusian president as well as the tactics of our

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negotiations were talked over in detail. The oblast acts independently, but in the framework of the policy pursued by the Russian Government.

I think that the visit to Minsk was successful. Seven agreements between our oblast and the Republic were signed.

[Borovskaya] How will we benefit?

[Matochkin] First of all, Belarusian cargo will be shipped out from our ports. There are first steps in this direction: the Minsk tractor factory will forward some of its freight to America from our trade port. We want to expand these contacts. We want to handle the Zhlobin factory's cargo which is now being processed in Klaypeda [Lithuania], as well as some Belarusian cargo from the St. Petersburg direction. This will truly make it possible to ensure work for our ports. By the way, the cargo traffic of our trade port increased — also due to the Belarusian cargo — by 25 percent in March.

The second issue is the sale of our fish products in Belarus. We have analyzed the Belarusian fish market. It turned out that fish from the north and from the Far East prevail there. Consider transportation costs. To buy fish from us is much cheaper. Therefore, we are conducting negotiations to expand the assortment of fish products delivered to Belarus.

[Borovskaya] Did you discuss the "Polish corridor" during the meetings in Minsk?

[Matochkin] We discussed this problem with Alyaksandr Lukashenka. Our positions coincide. No kind of an exterritorial corridor was an issue at the time. Our oblast and Belarus are equally interested in the opening of the transportation communication in the Hrodna-Goldap-Gusev direction. This is the shortest automobile route between us — only 200 kilometers.

We showed the documents drafted at the time together with the Polish side to the Belarusian president. We acquainted him with the history of the issue. There is an intention to continue this work.

The creation of the transportation communication on Polish territory was discussed in a purely technical aspect. Perhaps the Polish Presidential Administration was not ready to accept it in the form in which it was put forward by Yeltsin and Lukashenka. Therefore, a certain political meaning was attached to it in Poland. But it is a misunderstanding which must be resolved. At a Warsaw-based meeting of the Russian-Polish commission for trade and economic cooperation in which I participated recently, the Polish side calmly discussed this issue and regarded it as an option for development of transportation.

[Borovskaya] Let us now return from the height of international politics to our urgent issues. What are the results of the first quarter in our oblast? What were its priorities and to what extent were these priorities realized?

[Matochkin] The providing of anti-flood measures, the resolution of the unpaid wages situation, and the completion of the heating period were regarded by us as priorities for the first quarter. In general, these priorities were met. Some R2 billion were allocated for anti-flood measures and a lot of work was done. If nothing extraordinary takes place, we will live through the spring flood. The unpaid wages issue has not been fully resolved, despite the fact that we managed to shrink our wage arrears from R60.1 billion to R46.1 billion between mid-March and early April. (The interview was held in early April -- ed. note). The situation in the city of Kaliningrad still remains difficult, despite the fact that out of R12 billion which we received from the Finance Ministry, we granted R10 billion to the oblast center.

In principle, the heating season is coming to an end. We are sorting out the options of how our heating stations will function in April and May. We are beginning to prepare for a new heating season.

The primary problem is debts, particularly Defense Ministry debts. The Defense Ministry owes us R63 billion. Kaliningrad must pay wages — worth R10-12 billion — to the budgetary sector workers, while Defense Ministry debts to the oblast center stand at some R40 billion. If the Defense Ministry settled its debts, the problem with wages would have been resolved in general. At the moment, we have to deal with internal maneuvering.

As regards production indicators, a certain unstable balance exists today. This is the first quarter without a drop in industrial production. Here are some indicators: large- and medium-size industry accounted for 96 percent compared with the first quarter of last year; small industry accounted for 100 percent compared with the first quarter of last year [as published]. An entire variety of industries of the machine-building and metal processing sector registered an 18-percent increase; the forest and the cellulose and paper industries registered a 2-percent increase; the fish industry registered an 8-percent increase; the sector dealing with the production of canned fish registered a 37-percent increase; and the milk industry registered a 38-percent increase. This shows that the oblast is beginning to make a breakthrough in some sectors, although serious problems remain, for example in the building sector, where the number of contracts shrank.

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But I must stress that for the first time since 1992 the prices for foodstuffs did not increase in March. There was even some reduction in prices for foodstuffs. Hence, there was no inflation in March. Of course, it is early to be euphoric, but there are also no foundations for panic. Industry is gradually adapting itself to the new conditions. Everything now depends on the presidential elections. If regular shits from one side to the other begin after the elections, if the course is changed, there will again be a slump in production.

[Borovskaya] **What will be of key priority in the next quarter?**

[Matochkin] We will resolve problems with sales in the food industry, particularly in the meat and milk industry. This year the decline in production in the agroindustrial complex was less than it was last year. There are plans that there will be a small increase in some directions compared with the same period in 1995. But all attempts to support agrarian workers are frustrated at the stage of sales. Therefore, we are currently investing in providing the "Moloko" joint-stock company with new equipment, and in the construction of a facility to produce children's basic formula food in the "Prigorodnoye" joint-stock company in Zelenogradskiy Rayon.

Another important aspect of our work is the construction of socially important sites. The construction of a house for veterans in Guryevsk and of schools in Bagrationovsk and Chernyakhovsk must be finished this year. A program for constructing housing for veterans — which envisaged 220 apartments — is being implemented slowly. As of now, only 72 apartments have been built. We will accelerate the tempo of housing construction. As always, there are money problems.

[Borovskaya] **You say that there is a shortage of means for everything. But your critics think that means exist when certain structures are at issue. I imply in particular the "Binex" corporation where your son is employed. This structure has already received a considerable amount of money — $700,000 in a tax credit [nalogovyy kredit].**

[Matochkin] This tax credit was distributed last year. A special commission dealt with the distribution of tax credits and Deputy V. P. Nikitin, who is now a Duma deputy, took part in the work of this commission. Credits were issued based on business plans and on the analysis of all documents. If the commission opposed the issuing of a tax credit to the "Binex" corporation, I would have never signed the decision to grant it to this company.

As regards my son, I assure you that one can find many organizations in our oblast which received a tax credit and where someone's sons are employed. These companies received tax credits, but not "for sons."

[Borovskaya] **There are also many rumors that odious persons are working in the oblast administration. These rumors mention Dektyarev, a former head of the Control and Audit Directorate.**

[Matochkin] Dektyarev was not employed by the oblast administration. I must say that after a critical situation emerged with the financial incentives fund in the Control and Audit Directorate, we, through our own channels, asked the Control and Audit Directorate in the Finance Ministry to check the activities of this fund. The Kaliningrad Oblast Duma handled this inspection on its own, and we dealt with this issue on our own.

But not everything is so obvious with this fund. Practice shows that this fund is necessary to encourage workers. Before criticizing it, one had to check how much money was returned by these people to the state coffers.

Attacks on funds were launched; the performance of tax offices deteriorated. In the first quarter, tax offices collected only 75 percent of taxes. The collected less money, hence there was no money to invest in other places. Everything is interdependent.

[Borovskaya] **But one must not ignore rumors regarding corruption in the higher echelons of regional power. A small newspaper in Kaliningrad is stubbornly "accusing" a quite well-known person in its articles.**

[Matochkin] Do you imply NOVYYE KOLESA which published several publications directed against transportation complex chief Vladimir Prokhoda? We asked our prosecutor's office to investigate the facts mentioned by this newspaper. If these facts are confirmed, Prokhoda will be made accountable. It the facts are not confirmed, the authors of these publications will have to answer.

[Borovskaya] **Let us return to elections, because the above-mentioned developments primarily prove the tension of the election campaign. Will the election situation influence organizational and managerial activities of the oblast administration? Will this not result in disruptions in providing the oblast with everything necessary?**

[Matochkin] I think that the oblast administration will not conduct any special election campaign. My situation and the situation of those who are claiming this post are different. I am performing my work, and everyone can see that. I do not conceal my mistakes and problems. Let the voters judge themselves. The other issue is that perhaps it is necessary to bolster our propagandizing

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activities linked to the clarifying of the work performed by the oblast administration head, as well as of his objectives and tasks.

I have a range of local draft laws to support local producers, to increase the incentives for production growth, and for the creation of new jobs. From April, they will be published regularly in the form of new resolutions and draft laws for the oblast Duma.

The primary thing for the oblast today is the perfection of its credit and financial system. I have signed a resolution on launching the oblast credit bonds campaign. We will continue to work with credits and with the development of a bill-of-exchange system. An actively operating market for securities will help stabilize the financial situation in the region. The task of authorities is to think in prospective terms.

My opponents have only one trump card in their hands — criticism. I, however, conduct real activities and provide genuine results. It would be much better if the election competition between us could become a competition between specific programs, and not a competition between unclear concepts and rumors.

Russia: Yeltsin Edict Repeals Voronezh Tax Decrees

MM0905091196 Moscow ROSSIYSKAYA GAZETA in Russian 8 May 96 p 4

[Yeltsin edict no. 607 "On the Suspension of the Operation of Several Decrees Adopted by the Voronezh Oblast Administration"; from 'Documents' section]

[FBIS Translated Text] Moscow, Kremlin, 29 April 1996 — In connection with the Voronezh Oblast administration's adoption of the 18 April 1994 decree no. 511 "on the introduction of a local tax on the aggregate income of individuals," the 20 May 1994 decree no. 646 "on the approval of the Statute on the tax on individuals' aggregate income," and the 28 September 1994 decree no. 1175 "on the approval of the statute on the procedure for calculating and paying the tax on individuals' aggregate income," which contradict point "h" of paragraph 71 of the Russian Federation Constitution, paragraph 6 of the Russian Federation law "on the basic principles of the tax system in the Russian Federation," and the Russian Federation laws "on tax on the profit of enterprises and organizations" and "on individual income tax" and guided by paragraph 2 of article 85 of the Russian Federation Constitution, I decree:

1. That the operation of the Voronezh Oblast administration 18 April 1994 decree no. 511 "on the introduction of a local tax on the aggregate income of individuals," 20 May 1994 decree no. 646 "on the approval of the Statute on the tax on individuals' aggregate income," and 28 September 1994 decree no. 1175 "on the approval of the statute on the procedure for calculating and paying the tax on individuals' aggregate income" be suspended.

2. That Voronezh Oblast administration head A.Ya. Kovalev be asked to repeal the decrees cited in point 1 of this edict.

[signed] Russian Federation President B. Yeltsin.

Economic Issues

Russia: Yeltsin Warns Against Nonpayment of Salaries, Pensions

LD0805140796 Moscow ITAR-TASS in English 1323 GMT 8 May 96

[By Itar-Tass]

[FBIS Transcribed Text] MOSCOW, May 8 (ITAR-TASS) — Russian President Boris Yeltsin on Wednesday issued an instruction which sternly warns heads of the Government and the Pensionary Fund of the Russian Federation in connection with "drawbacks in organising the payment of salaries, pensions and other social payments."

"Despite direct instructions made by the Russian president to ensure a timely payment of salaries, pensions and other social payments, facts of nonpayment are still registered," reads the instruction circulated by the presidential press service.

"The Government of the Russian Federation and the Pensionary Fund of the Russian Federation exercise a weak control over the fulfillment of president's instructions in this sphere," goes on the instruction.

"The situation with wages is critical at off-budget enterprises and organisations, including joint stock companies where the state has the stock," the instruction emphasizes.

Russia: Shadow Economy Amounts to 50 Percent of Economy

LD0705205396 Moscow 2x2 Television in Russian 1900 GMT 7 May 96

[FBIS Translated Text] The shadow economy's share in the Russian economy amounts to 50 percent, and about 40 percent of the cash turnover is beyond the control of the state. This information was released on Thursday at a briefing at the Russian Ministry of Internal Affairs. It was also said there that the stream of hard currency that

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is being transferred abroad already amounts to $1 to 2 billion monthly.

Russia: Report Views Flight of Capital, Brain Drain

MM0905091996 Moscow SOVETSKAYA ROSSIYA in Russian 5 May 96 p 7

[Article by Yevgeniy Ivanov: "In Holey 'Offshore Funds.' One of the First Attempts at Systematic Analysis of the Flight of Capital From Russia"]

[FBIS Translated Text] A special issue of the journal ANALITICHESKIYE OBOZRENIYA [Analytical Surveys] devoted to perhaps the most explosive topic ahead of the elections — the flight of capital from Russia — has been published in a very small print run of just 1,500 copies. The Center for Integrated and Social Research and Marketing is offering for readers' attention, as Doctor of Sociological Sciences A.S. Orlov, the center's director, writes in the introduction, "one of the first attempts at systematic analysis of the flight of capital from Russia." The scientist realizes that the results of the analysis will be employed "in the course of political battles," but he does not deem it possible to conceal the resultant information about the "wholesale" flight of capital from Russia "in an atmosphere of mass legal nihilism and paralysis of power."

The analysis report and appendices fill 90 pages.

In a nutshell, its content is as follows: As a result of the disintegration of the Soviet Union and the multifaceted crisis of the nineties, Russia, which in terms of many indicators has been set back "15-20 years," in addition to all its other ills is also losing its lifeblood in the form of capital that it vitally needs. Chapter three of the report, "Forms and Scale of the Flight of Capital," deserves particularly close attention from law-enforcement agencies. The scientists analyze various methods of concealing hard currency proceeds, for instance, so-called side contracts, whereby the difference between the actual and the contract prices is shared between Russian and foreign plunderers by personal agreement. The researchers also reveal the machinery of "thin air imports" — a particularly sophisticated type of swindle with the help of a great multitude of "offshore" companies. By the middle of last year "according to the most cautious estimates" around 60,000 Russian "offshore" companies had been registered and were serving as middlemen for the flight of capital abroad. In a matter of just two or three years 3,000 of them have sprung up in Cyprus alone, and there are most of all in Switzerland and Liechtenstein (around 10,000), on the British Isle of Man, in the United States, Gibraltar, and Hong Kong, and in the Caribbean countries.... "Thin air imports," in other words the prepayment in hard currency of "goods, services, and intellectual property that in fact are not delivered to Russia," are such an effective method of siphoning off money that if Ostap Bender had known of it, he would certainly have put it at the top of his patented list. Analysts have also recorded extraordinary cases where the "value of Russian oil exports in barter deals was five times [the value of] the return goods deliveries from foreign partners." Furthermore, the authors of the report note, "in fact there is often no barter at all." Export goods are sent abroad, and then they put the money to work there for six months and leave the "profit on the interest" over there as well. The earnings of the Russian residents abroad who ensure the flight of Russian capital are given: "according to expert estimates, not less than $300 million per year." As for the income of the business big shots, that can be judged from the "celebrations" that they organize for themselves during business trips and vacations abroad. In particular, it has been established that "in 1994 Russian residents' expenditure on tourism in the far abroad exceeded the proceeds from exports of natural gas to those countries and totaled $6.8 billion, in other words more than the IMF loan in 1995." In all, as a result of this "reckless extravagance," as the analysts describe it, Russian nouveaux riches have already frittered away abroad "at least $45 billion of Russian 'flying' capital...."

The origin of the huge fortunes that the "new Russians" amass despite swiftly declining production and the total disintegration of the economy is criminal: "In terms of its origins Russian 'flying' capital stems primarily from the redistribution of state property and speculative operations." "Influential strata of Russian society" are directly or indirectly implicated in these crimes and not only do not combat the flight of capital abroad but actually "oppose attempts to establish effective state control over the flight of capital from Russia."

The report presents a shocking panorama of the theft of Russian property: "Weapons, combat equipment and ammunition, rubles, foreign currency, precious, nonferrous, and rare earth metals, oil and petroleum products, gas, coal, ferrous metals and rolled products, construction materials, chemical fertilizers, timber and lumber, medicines and medical raw materials, fur, fish and marine products, equipment and means of transport, drugs, liquor, food, and textiles are now being illegally exported to the near and far abroad." The so-called brain drain is causing particularly major damage to Russia: Each year 20,000-30,000 scientists and highly qualified specialists leave. According to expert estimates, the emigration of just one scientist means lost profits of $300,000. The "brain drain" is exacerbated by the im-

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perfect protection of intellectual property: Discoveries, inventions, and technologies that are not protected by Russian patents, trade marks, and copyrights are lost! Meanwhile, the report's authors note, the world is beginning a new, fifth wave of scientific and technical progress based on achievements in the sphere of microelectronics, information technology, biotechnology, genetic engineering, and bionics.... Yet as a result of the "reform" flight of capital and brain drain Russia has reduced the production of high-technology output tenfold!

The most controversial section of the analysis report is its recommendations.

Effectively what is proposed is a kind of rehabilitation of "flying" (basically criminal) capital in the hope that at least some of it will pour from "tax havens" into the Russian economy and will be used in part to acquire sizable packages of shares in state enterprises "now on offer at money auctions."

In short, let the disease be the remedy! Although the analysts themselves entertain no illusions about "offshore" patriotism: "Unfortunately, we should not count on the patriotism of the Russian bourgeoisie as a motive for the repatriation of 'flying' capital from abroad. The bourgeoisie is cosmopolitan, and the Russian bourgeoisie is no exception to that rule."

In conclusion let us note that the report at long last introduces at least a degree of clarity about the scale of the calamity threatening the very security of the state. The arithmetic is extremely gloomy: Russian state property is being squandered abroad and is swiftly "shrinking" by $300 billion. The debts that the "Third World" and former socialist countries are supposed to repay to Russia have strangely "shrunk" from $150 billion to $100 billion, although Russia has not been told of the payment of such major sums. Finally, there is the "flying" criminal capital of the "new Russians": At least $300 billion has already gone. Thus in all people can shed bitter tears over $700 billion.

By way of comparison, here is a figure from the report: During the period of the "policy of reform" the total amount of investment by foreign entrepreneurs in Russia's economy has been just $6.7 billion. And, as analysis showed, to a considerable extent this is just the return home of "errant" Russian capital that left the country illegally. Yet the president keeps on repeating that he will not deviate a step from the "policy of reform"!

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International Affairs

Ukraine: Officials Push for 'Full EU Membership'

WS0905110096 Kiev INTELNEWS in English 0306 GMT 9 May 96

[By Halia Pavliva, INTELNEWS Staff Writer]

[FBIS Transcribed Text] Kiev, May 8. With the approval of an ECU200 million loan from the European Union Wednesday, Ukrainian officials turn their attention next to reaping trade privileges by convincing EU officials the economy is one of transition.

Ukrainian Foreign Minister Hennadiy Udovenko will meet EU ministers in Rome either in late May or early June to discuss Ukraine's prospects for the status change from "planned" economy to "transitional" as the country continues to press for full EU membership.

The change would net Ukraine trading privileges such as improved access to EU markets, officials said.

Ukraine will make every effort to attain the "qualitatively new stage of national development" that will qualify Ukraine for admission to the EU, Udovenko said Wednesday at a session in Kiev of the joint EU-Ukraine committee monitoring their cooperation.

The transition status would also mean faster ratification of the EU-Ukraine partnership and cooperation agreement by the national parliaments of EU countries, of which only Britain, Spain and Denmark have ratified Ukraine's agreement with EU.

"If the agreement on cooperation between Ukraine and European Union is ratified this year, it could be most important political event for Ukraine in 1996," said Ihor Mituikov, Ukrainian government special representative to the European Union who headed Ukraine's delegation at the current negotiations with the EU delegation.

Meanwhile, the EU loan, about $250 million, will be used to help offset Ukraine's 1996 budget deficit, set at 6.2 percent of gross domestic product.

"One of the major target of the loan is to reduce budget deficit down to 3.5 percent of the gross national product," said Joly Dixon, a director of European Commission's Department on Economical and Political Affairs.

The first ECU50 million is scheduled to be received by Ukraine in June, with another ECU50 million by September and the remainder coming by year's end, according to EU officials who agreed Wednesday to proceed with the loan. Other than committing to use the loan to help offset deficit spending, Ukraine did not accept any other conditions and has 10 years to repay it.

The initial decision on the loan to Ukraine was made by EU Ministers Committee in October, when EU pledged loans of up to ECU 285 million. The first loan of ECU85 million $100 million was received in December.

The loan's timetable is ambitions and optimistic, Dixon said, adding that the second and third installments will be conditional: "If everything goes well," he said.

EU's program of Technical Assistance to Commonwealth of Independence States will also be increased through 1999, according to Timo Summa, head of the EU delegation to Ukraine and director general for the European Commission's Department on External Political Relations: "The key is to bring very qualified programs," he said.

Ukraine: European Council Committee Examines Ukrainian Media

WS0905105396 Kiev INTELNEWS in English 0306 GMT 9 May 96

[Reported by Oksana Hasiuk]

[FBIS Transcribed Text] Kiev, May 8. Meeting with leaders of Ukraine's leading media on Wednesday, experts from the Council of the European Parliamentary Assembly Committee on Ties With European Countries examined freedom of the press in Ukraine.

Today in Ukraine there are more than 4,000 printed publications, 1,311 of which are private, Stepan Tkachenko, Ukraine's Parliament Mass Media Committee member, told committee members on the first day of their four-day meeting in Ukraine.

According to Serhiy Pravdenko, editor-in-chief of HOLOS UKRAYINY Parliament newspaper, "Survival is very difficult for private editions, under conditions of the current economic crisis."

Pravdenko said HOLOS UKRAYINY has been financed partly from Parliament budget and partly from advertisements and subscriptions.

Stanislav Kruhlov, Chief of the Secretariat in Parliament's Mass Media Committee, told Council of Europe experts "Criticism of Parliament and the President occurs in all editions — right, left and center —and such criticism is an indicator of a democratic state."

According to Kuhlov, there are 90 TV and radio companies in Ukraine, 40 of which are not state controlled, and nearly 130 regional TV companies are private.

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Ukraine: Kiev To Sign Nuclear Cooperation Agreements With EU

LD0805185296 Kiev UNIAN in Ukrainian 1230 GMT 8 May 96

[FBIS Translated Text] Kiev — A meeting of the Ukrainian-EU joint committee agreed to complete negotiations on several agreements in the nuclear field, head of the Ukrainian Interdepartmental Committee for EU Affairs and the Ukrainian government's special representative at the European Union Ihor Mityukov told journalists. He said Ukraine proposed two agreements on scientific and technical cooperation in the fields of nuclear synthesis and nuclear security, and an agreement on trade in nuclear materials.

Ukraine has the potential to export nuclear materials and "there is a need to agree this issue with the European Union," he said.

Ukraine: Kuchma Hopes for Compromise on Black Sea Fleet

LD0805200896 Moscow INTERFAX in English 1537 GMT 8 May 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] KIEV REGION, May 8 (Interfax - Ukraine) - Ukrainian President Leonid Kuchma hopes to reach a compromise on the Black Sea fleet with Russia.

"There is no problem of the Black Sea fleet, there is a problem of Sevastopol. I cannot agree to Sevastopol's turning into a base of the Black Sea fleet," Kuchma told patients of the veterans' hospital in Tsybly, the Pereyaslav-Khmelnitsky district of the Kiev region, Wednesday.

The two sides have not yet agreed whether Sevastopol will serve as a base exclusively for Russia, or for both countries.

"Ukraine offered Russia normal conditions for basing its fleet in Sevastopol," Kuchma said. "I hope we will come to an agreement with Russia. This is our neighbor, and one should always live in peace with one's neighbors."

Kuchma said he is ready to initiate discussion of free transportation for veterans throughout the former Soviet Union at the upcoming CIS summit.

He told the veterans compensation of deposits at the Savings Bank they had before the Soviet Union's disintegration is tied to the monetary reform. "We are considering a monetary reform and introduction of the grivna for this year," said the president.

Ukraine: Navy Commander Notes Improved Relations With Russian BSF

WS0905101196 Kiev UKRINFORM in English 0656 GMT 9 May 96

[From the "Current Events" feature]

[FBIS Transcribed Text] As UKRINFORM's correspondent in Sevastopol, Crimea, reported, speaking at a meeting there with senior officers of Sevastopol WWII [World War II] veteran organisations VADM [Vice Admiral] Volodymyr Bezkorovaynyy, Ukraine's Navy Commander, said that the military should refrain from making hasty statements and should made no decisions on matters, which are policians' prerogative. The meeting in Sevastopol was held to mark the 51st anniversary of Victory over Nazi Germany and its allies. As the Ukrainian Navy Commander noted, his task of collaborating with the Russia Black Sea Fleet [BSF] Command has become much easier since Admiral Viktor Kravchenko was appointed to the post. According to VADM Bezkorovaynyy, he and the invariably reached mutual understanding on virtually all issues they discussed [sentence as received].

The Ukrainian Navy Commander dispelled rumors about the Ukrainian Navy's alleged West orientation, stating the Russia Black Sea Fleet [BSF] as the Ukrainian Navy's natural strategic partner. However, to make the Ukrainian Navy-BSF collaboration closer and more efficient, political decision will be required on the part of the two nations' governments, the Ukrainian Navy Commander insisted.

The Ukrainian Navy Commander also informed the WWII veterans about the guidelines the Ukrainian Navy's construction follows, and replied to the veterans' questions. The meeting's atmosphere was reported as friendly and hearty.

Ukraine: Solana's East Europe Tour Analyzed

WS0905101596 Kiev ZERKALO NEDELI in Russian 7 May 96 p 5

[Article by Rostyslav Khotyn: "Either NATO Does Not Know What It Wants, or It Regards Someone As an Idiot"]

[FBIS Translated Text] Nobody has any doubts at this point that NATO will expand in the future, and in the near future at that. NATO's Brussels headquarters is currently developing a mechanism for this expansion and determining its sequence: which states will be admitted in the first group, which in the second, and for which states it is too early to even book tickets.... In a period of two weeks, NATO Secretary General Javier

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Solana made two tours of East and Central Europe, visiting both the countries which want to join NATO and those which want to intensify their relations with NATO to a maximum, such as Ukraine.

Aside from Kiev, during the two trips, Mr. Solana visited Lithuania, Latvia, Estonia, Poland, Hungary, the Czech Republic, Slovakia, Romania, Bulgaria, and Albania.

However, the statement made by Javier Solana in Prague regarding the possibility of deploying NATO's nuclear arms on the territories of potential new member-states cannot but worry Ukraine, which in essence does not oppose NATO's expansion and recently has even supported it in a mild manner. Of course, Ukraine does not support the nuclear weapons aspect, and this standpoint fully coincides with Russia's entirely anti-NATO stance.

When Solana was asked in Prague about possible sites of nuclear arms' deployment, he answered: "Being a member of NATO, every state will bear a certain responsibility and have certain commitments. NATO membership should be based on solidarity." Before visiting Prague, the secretary general had either declined to answer questions on the nuclear issue or had spoken about substantial reductions of NATO's nuclear arsenal. Indeed, this arsenal has been reduced by almost 80 percent within the last four-five years. With the exception of an insignificant portion of U.S. nuclear arms on German territory, no other countries currently have "somebody else's" nuclear arms on their territory. Moreover, NATO's secretary general asserted more than once that there is no need to deploy nuclear arms in new member-states and that such deployment was not envisaged by any NATO documents. Observers, as well as certain Ukrainian diplomats explain Javier Solana's statement by the ambiguity of NATO's standpoint. However, it would be better to play an open game in this case, because the clear division of Europe about which Russia has warned the world may occur earlier than the actual expansion of NATO. It may occur immediately after the first nuclear warhead is deployed in East Europe. The change in Solana's standpoint may be explained by his desire to please Central European leaders, primarily from the Czech Republic. The point is that in the Czech Republic the opinion of the leadership does not coincide with public opinion on the nuclear issue. When the issue of "NATO's expansion and warheads" was presented, both Czech President Vaclav Havel and Prime Minister Vaclav Klaus unanimously stated that "if one wants to get on a streetcar (that is, to become a member of NATO — ed.) he has to buy a ticket" (undertake the commitment to deploy nuclear arms — ed.) According to sociological polls, only 33 percent of the Czechs agree with deploying nuclear arms on their territory, despite the fact that there is full public consensus on the issue of joining NATO. Solana's "revelations" in Prague may be explained by the typical Spanish trait: to say different things in different places, or to say things someone wants to hear.

If this is really so, it was not the best time for Solana to "please and show the Spanish character." A specific decision on NATO's expansion is to be made at the NATO summit in Brussels in December. All the candidate-states recently explicitly confirmed their desire to join NATO or even filed official applications (for instance, Romania). According to President Kuchma, Ukraine even hinted that it may not necessarily observe its nonbloc status in the future, and figuratively speaking, asked the NATO leadership to keep NATO's door half-open for Kiev, just in case....

Even Russia has changed its categorical "no!" to a more flexible standpoint which envisions that Central and East European states will join the political and not military NATO structures, or that only those states should be allowed to join NATO which do not have a common border with Russia. Thus, Solana "leaked" not at the best possible moment.

Kiev, too, should demand clarity and not maneuvers on the nuclear issue, as well as on the issue of deploying NATO's troops. All those questions should be addressed to NATO. Ukraine's western neighbors should be asked about the reasons behind the redeployment of their troops to their eastern border, that is, their border with Ukraine. The process of such redeployment has been going for almost 18 months now. Those measures can be justified to a certain extent though, given that in the past when those states were members of the Warsaw Pact, they anticipated a military threat solely from the West in general and from NATO in particular. It would be interesting to find out whether a similar process is going on in Ukraine. It is clear that Ukraine should be able to confront a hypothetical attack in the vicinity of Lvov or Odessa. But how about an attack near Sumy or Chernihiv [Ukrainian-Russian border]?

National Affairs

Ukraine: Kuchma, Moroz Attend Victory Day Ceremony in Kiev

LD0905100196 Kiev UNIAN in Ukrainian 0950 GMT 9 May 96

[FBIS Translated Text] Kiev — On the occasion of Victory Day, Ukrainian President Leonid Kuchma, Supreme Council Chairman Oleksandr Moroz, and First Deputy Prime Minister Pavlo Lazarenko took part in the

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wreath-laying ceremony at the Tomb of the Unknown Soldier in Kiev's Glory Park. Ukrainian armed forces military subunits marched past the state's leaders. While talking to World War II veterans, Leonid Kuchma said he hoped that the difficult economic situation in the state will be overcome and that people's lives will soon improve.

Ukraine: Kuchma Address on WWII Victory Anniversary

LD0805204296 Kiev UT-1 Television Network in Ukrainian 1800 GMT 8 May 96

[Ukrainian President Leonid Kuchma's address on the occasion of the 51st anniversary of victory in the Great Patriotic War — read by announcer]

[FBIS Translated Excerpt] Esteemed compatriots, dear veterans of the Great Patriotic War! Please accept my sincere greetings on the great anniversary of victory, the day of the triumph of justice and peace on Earth. Commemorating, on this solemn day, the blessed memory of those who gave their life to defend their people from fascism, the 20th Century's plague, we turn our grateful eyes on the veterans of the Great Patriotic War. [passage omitted]

The state and the Ukrainian president will continue to focus their efforts on increasing pensions, solving accommodation problems, and providing social benefits. They will do their best to improve the conditions of your life.

Unfortunately, the establishment of the Ukrainian state and reform in every sphere of our life are proceeding painfully and having a negative effect on people's social well-being, especially the least socially protected strata of the population, to which the majority of war and labor veterans belong. It is understandable that the building of a state is a difficult and lengthy process which requires the concentration of efforts by everyone, and patience and unity of the whole of society. However, one cannot help noting that all these changes are taking place through an acute struggle against growing resistance from whatever is outdated and reactionary as well as our habits, ideological dogmas, and egalitarian psychology. They are hampered by our impatience, the low standard of political culture, and unwillingness to change. This is why we have lost a lot of time.

I know about the dissatisfaction with the current difficult situation and the harsh criticism of the authorities at all levels. However, I want to stress once more that radical changes in such a large country and during such a large slump cannot be implemented quickly and without difficulties. We need time, faith, patience, and calm. Civic peace and accord have been preserved in Ukraine. This is due to all our people, first of all the veterans, for which I thank them profoundly. [passage omitted]

I am convinced that the way to solve most of our problems today is to adopt a new constitution for Ukraine. Only then will the state and society be given a tangible vital impulse and stable development and will changes for the better become irreversible. [passage omitted]

Ukraine: Kuchma Says Parliament Obstructs Constitutional Process

LD0805210096 Moscow INTERFAX in English 1609 GMT 8 May 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Leonid Kuchma believes that the leaders of the country's Supreme Soviet do their worst to obstruct the constitutional process.

Kuchma told journalists Wednesday as he was visiting the hospital of World War II veterans in the village of Tsybli, Pereyaslav-Khmelnitsky district of the Kiev region, that the situation will not change as long as Oleksandr Moroz is chairing parliament and opposing the authority.

Common sense must triumph in the Supreme Soviet and a majority should be formed which will take the lead in continuing the constitutional process, he said.

The only way to adopt a new constitution is a national referendum, otherwise "every new Supreme Soviet will adopt its own constitution," Kuchma believes.

If the majority rejects the proposed draft constitution, then "the country should have a new president and a new Supreme Soviet," he said.

Responding to a question asked by a veteran, Kuchma said that the entire constitution should be voted on because the constitution is an entity. He suggested that the veterans read the whole text of the constitution.

IF Note: Commenting on the refusal of communist MPs to take part in reconciling the draft constitution with the president, Kuchma said that "the communists disagree with the main theme of the constitution as the fundamental law of an independent Ukraine. They do not agree to any kind of cooperation."

Meanwhile, Ukrainian Justice Minister Serhiy Holovatyy called for early conclusion of discussing the draft constitution which, he said, is 95 percent agreed on. He said in Kiev Tuesday that, in his view, the draft should be approved no later than in mid-May. He feared that, unless the new constitution is adopted soon, Ukraine can experience a replay of "the Russian scenario in the

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fall of 1993 when political confrontation between parliament and president resulted in an all-out war." He also called for ending the discussion of the draft in various parliamentary commissions which should say bluntly if they want the constitution or not. Holovatyy believes that the stalemate is playing into the hands of those who cash in on trouble.

Kuchma said that he is prepared to ask the next CIS summit in Moscow to discuss the possibility of allowing World War II veterans travel free throughout the CIS to enable them to visit their relations in other CIS member nations, notably Russia and Belarus.

"I will immediately send letters to CIS heads of state asking them to support this proposal and make a decision at the next summit," he promised.

While they said the are being taken good care of in the hospital, the veterans complained that their pensions were small. One of them asked Kuchma about the possibility of compensating the deposits in the Savings Bank made in Soviet times. Kuchma replied that this will not be possible before a monetary reform in Ukraine and introduction of a new currency, the hryvna. He said that the reform can be carried out in 1996.

Asked about the relations between Ukraine and Russia and the Black Sea Fleet problem, Kuchma said: "Russia is our neighbor. One should by all means live in peace with one's neighbor." He emphasized that the problem is not the fleet but Sevastopol.

"I cannot agree to Sevastopol becoming the base of the Russian Black Sea Fleet alone," Kuchma said. He added that "Ukraine offered Russia normal condition for maintaining its fleet in Sevastopol" and expressed the hope that an agreement with Russia will be reached.

"We should worship these people," Kuchma said at the end of his visit to the hospital. He said he knows how they lived and that they did not tell him the whole truth because they were in a happy mood in the run up to the holiday. "War veterans deserve state aid, I have no doubt about this," he emphasized.

As he visited the Ukrainian State Museum of World War II in Kiev the day before, Kuchma said in an interview that he plans to visit the grave of his father who was killed near Leningrad.

Kuchma said he might go there after May 9.

His father was listed as missing. His grave was not found until 1996, Kuchma explained.

Russian officials will accompany him as he visits the grave, Kuchma said.

IF Note: The Ukrainian State Museum of World War II stores a file on awarding the Order of Red Banner to Kuchma's father, deputy company political leader of the 560th Separate Engineering Battalion. Senior Sergeant Daniil Kuchma brought to safety over 20 officers and men in an October 5, 1941 fighting.

Kuchma also called for a reconciliation between the Ukrainian Rebel Army and Soviet Army troopers who fought the Nazis in World War II. He called for construction of a Reconciliation Cross.

Kuchma said, however, that there can be no vindication for fighting on the German side.

Kuchma visited a new exposition in the museum showing archive materials, letters and personal belongings of soldiers in the war and the autographs of victory soldiers collected last year during a national action marking the 50th anniversary of the Victory Day.

Ukraine: Kuchma Prepared To Compromise on New Constitution

LD0805185596 Moscow INTERFAX in English 1213 GMT 8 May 96

[FBIS Transcribed Text] Kiev, May 8 (Interfax - Ukraine) — Ukrainian President Leonid Kuchma's preparedness to compromise with the Verkhovna Rada [Supreme Council] on the new draft Constitution stems from his "wish to work constructively and prevent a split in the society into two hostile camps," presidential administration chief Dmytro Tabachnyk told newsmen.

Yet, D.Tabachnyk observed, a compromise has its own limits, although the Presidential is guided by his wish to cooperate and search for compromise decisions, he said.

It has been for two years now that the President has been "searching for a political compromise with different political forces, in particular, with the parliament factions prepared for constructive co-operation on constitutional issues", the presidential administration chief said.

In this context, D.Tabachnyk warned against attempts in the course of finalizing the draft Constitution "in order to completely emasculate it, so that it should be a constitution of a pattern other than that generally accepted in Europe, and the one which has met with a positive assessment from international and constitutional experts."

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Ukraine: Party Accuses Communists of 'Terrorist Acts'

WS0905105996 Kiev INTELNEWS in English 0306 GMT 9 May 96

[FBIS Transcribed Text] Simferopol, May 7. An extraordinary plenum of the Party of Economic Rebirth (Crimea) was held earlier this week to address a series of terrorists acts, including 11 cases perpetrated against the party's activists and their relatives.

Recently the wife of party presidium member Yuriy Osynskiy's was killed.

On April 29 assailants broke into the apartment of the party's Yevpatoria branch leader, Viktor Selivanov, and beat up his wife.

Party chairman Volodymyr Shevyov has accused the Communists of all the incidents, based on the fact that the Party of Economic Rebirth recenty announced its decision to release materials which compromise key Communist Party partisans.

Ukraine: Liberal Party Chairman's Congress Role, Future Viewed

WS0905101696 Kiev ZERKALO NEDELI in Russian 7 May 96 p 7

[Unattributed report: "Liberal Volodymyr Shcherban: 'Untie My Hands and Stop Pouring Ashes on My Head'"]

[FBIS Translated Text] Volodymyr Shcherban, chairman of the Liberal Party of Ukraine [LPU], did not waste the time between the first and the second stages of the LPU regular congress. The Supreme Council registered "the Sociomarket Choice" faction. Despite the fact that there are only 12 LPU deputies among its 27 members, it is absolutely clear that such persons as Volodymyr Shcherban, Volodymyr Ampilohov, Oleksiy Dmytrenko, Yevhen Shcherban, and Mykhaylo Pozhyvanov are playing first fiddle there. Liberals used the discussion of their party program to "advertise" their image in those areas where the LPU's positions are far behind the ones of other parties. As a result, according to LPU official statistics, the number of its members increased by 13,000 and reached 40,000 (according to Volodymyr Shcherban, the number of liberals in Donetsk Oblast exceeded the number of communists and socialists) over the past months. The LPU leader is sure that in the immediate future his party will become the biggest in Ukraine.

Hence, at the Third LPU Congress a decision to "... retain the former name of the party and drop the 'Liberal-Labor' label" was met with applause. Although the LPU's revised program demonstrated an obvious shift toward social values of society, it was precisely an impressively sincere slogan — "Through Personal Labor to Everyone's Welfare!" — which became the primary one for the LPU in the immediate future.

Characterizing the situation in the country, Volodymyr Shcherban said that the "virgin Ukrainian economy has been waiting too long for the market's embraces." Democrats do not have to pour ashes on their heads and to be prisoners of illusions; it is time to — under the LPU's guidance — launch the genuine construction of national, truly democratic capitalism. Because, according to Volodymyr Shcherban, "even the great Kobzar [a 19th century Ukrainian poet] wrote in his diaries that it is precisely the middle class that is the true heart of the nation; that no one but the middle class is the force with great prospects." The one who scares the people about foreign investments is simply poorly educated, said the LPU leader when he reminded that his party was virtually the only political structure which openly declared the right to use land as a commodity. The LPU will support the interests of national producers and bourgeoisie. People's Deputy Oleksiy Dmytrenko asked all entrepreneurial structures to coordinate organizational and financial efforts. As regards specific investment spheres, he proposed investing in new agricultural techniques in Lugansk Oblast.

With truly liberal persistence, the LPU is going to win the sympathies of various social segments. Of course, it is going to win the sympathies of women (for example, People's Deputy from Crimea and "1995 Woman of the Year" Elena Krandakova is among the LPU leaders), and as Volodymyr Shcherban said "we have more reserves." Of course, he meant reserves among the young. At the LPU's initiative, the All-Ukrainian Congress of Liberal and Progressive Young People will be held in the fall and some kind of a "Young Liberal League" (name taken from the "Young Communist League") will be set up inside the LPU. The re-registration of the LPU members will be held and they will receive new party membership cards.

Luckily, the LPU has no financial difficulties for all this (unlike the other parties).

The LPU is going to play the most active part in the newly created committee for the support of the draft constitution. In addition, Volodymyr Shcherban stressed that although the LPU has made a lot of remarks regarding the draft constitution, it never had any doubts that it must be adopted as soon as possible.

The charismatic LPU leader does not doubt that "the attitude of all the governors toward him is normal, but if someone does not like him, he will be forced to." [as

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published irony intended] Mr. Volodymyr Shcherban regards the Council of Regions, in which he is not the least important person, as the only possible option for the higher chamber of the Supreme Council, that is, a senate [as proposed in the draft constitution]. In Volodymyr Shcherban's opinion, Ukraine must — given its unitarian nature — "untie the hands of the regions" primarily in the economic sphere. To achieve this, it is necessary to hold a referendum on the draft constitution as soon as possible, which will be a victory for the president....

Inquisitive journalists paid attention to Volodymyr Shcherban's passionate criticism of the leadership of the Supreme Council and to his frequent describing of the Liberal faction as the "most centrist of all the centrist factions." Even his nostalgia for his education in Ukrainian schools and his proper attempts to speak the Ukrainian language gave the representatives of the mass media reason to closely question the hero of the day about his prospects for the post of Supreme Council chairman and — in the not too distant future — for the presidential post. "A soldier who does not want to become a general is no soldier at all."

In any case, having sent its leader to the top of the pyramid of power, the LPU will remain a self-sufficient, independent force whose position will have to be considered by all leaders. The people who make high profits are just as seriously engaged in party political games, and the opportunity to receive the levers of power precisely through the party structure is just around the corner. The economic situation in Ukraine is too complicated to wait for less liberal methods.

Only one issue causes doubt: will the Liberals manage to convince public opinion not to throw stones at the builders of capitalism? This will be a very difficult task even for those who were not stopped by any difficulties before.

Ukraine: Nuclear Plants To Upgrade Safety

WS0905105296 Kiev INTELNEWS in English 0306 GMT 9 May 96

[FBIS Transcribed Text] Kiev, May 8. Ukraine's Kiev Energoproekt will participate in an ECU8 million ($10.5 million) project to upgrade safety at the Rovno and Khmelnitskyy nuclear power plants.

The projects is the single largest in the program of the G-7 Action Plan for Ukraine, formalized in December. The contract was signed between a consortium which, in addition to the Kiev firm, includes the European Nuclear Assistance Consortium, the Russian Federation and the European Commission with Derzhkomatom.

The funding will originate from the EU program of Technical Assistance to the Commonwealth of Independent States Nuclear Safety program.

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Belarus

Belarus: CIS Official Criticizes West's Attitude to Belarus

LD0805190096 Moscow INTERFAX in English 1223 GMT 8 May 96

[FBIS Transcribed Text] MOSCOW, May 8 (Interfax) - The West's attitude to Belarus has worsened greatly since the Russian-Belarusian community was formed and the two countries boosted their integration, Executive Secretary of the Commonwealth of Independent States Ivan Korotchenya, an ethnic Belarusian, told a news conference at the Interfax head office in Moscow today.

"When Belarus started its rapprochement with Russia, the West's attitude did not become cool or cold. There is no longer any attitude to Belarus on the part of some leading countries," said Korotchenya.

This is true of the International Monetary Fund which is trying to frighten Minsk with threats to ignore Belarusian requests if the republic "continues looking eastward," he said.

"It is a big game in big politics. The Americans cannot stand the Commonwealth of Independent States, they ignore this very notion," said Korotchenya. He added, however, that leaders of European countries he had met take the Commonwealth "with warmth and understanding," because they are involved in continental integration themselves.

Korotchenya is sure there is no gratuitous aid from the West, and "the current economic assistance to Ukraine is rendered for some political things." At the same time, he does not doubt that Ukraine will stop being an associated member of the CIS Economic Union and will become a fully-fledged member some time later. Korotchenya thinks Ukraine will also join the Customs Union which, in the opinion of the CIS Executive Secretary, will finally involve all the 12 member-states of the Commonwealth.

Belarus: Deputy Speaker Meets U.S. Official, Views West's Attitude

WS0905100696 Minsk BELAPAN in English 0656 GMT 9 May 96

[FBIS Transcribed Text] Minsk, 8 May — On May 8 the deputy chairman of the Supreme Soviet, Yuryy Malumaw, met with Daniel Speckhard, Deputy to the Ambassador-at-Large for the NIS [Newly Independent States] at the United States Department of State. During the dialogue Mr Speckhard pointed out that the USA attaches great importance to the development of the parliamentary system in Belarus and asked the vice-speaker to tell about the activities of the Belarusian legislature.

Mr Malumaw dwelt on the difficulties the Supreme Soviet had in the formation of Parliament. Apart from usual problems, the new Belarusian Constitution of 1994, which changed the form of state system, exerted an influence on the process of forming Parliament. In Mr Malumaw's opinion, the Belarusian form of government, as that in the USA, is based on presidency, "although institutions of a parliamentary republic are continuing to function." Mr Malumaw emphasized that Belarus would continue to adhere to a "multivectorial" foreign policy. "In spite of the successes we have achieved, I define the 2 April Belarusian-Russian Treaty on a Community in this way, the main task in the Western vector this year is Belarus' membership in the Council of Europe, which we have been seeking for about 4 years," the vice-speaker said.

Mr Malumaw defined the Treaty on a Community as "a victory of Belarus." He holds that integration with Russia is a much easier task than that with the West. The signing of the Treaty does not mean the loss of sovereignty by either Belarus or Russia, this is "the summation of our potentials in all spheres," Mr Malumaw said.

However the Supreme Soviet deputy chairman emphasized that "if Western Europe and the USA display no interest in the Republic and disregard its national interests, Belarus may closely cooperate with Russia only." Mr Malumaw said he had the impression that "politicians in the West are not interested very much in Belarus", they pay more attention to the Baltic states and Ukraine. In this regard the vice-speaker said that he did not "understand the position" of the G-7 that had not invited President Alyaksandr Lukashenka to attend the Moscow-based summit on nuclear safety matters in April, the more so, as Belarus suffered most of all from the Chernobyl catastrophe and was the first among the CIS states to declare its territory a non-nuclear area.

In reply Mr Speckhard said that "Washington is extremely interested in having Belarus as a sovereign state." He expressed understanding of Belarus' concern about the lack of security in Europe, and pointed out that the Republic had not been invited to the Moscow summit because its application for participation "was received too late." It took 9 months to Ukraine to prepare for the summit, Mr Speckhard noted. That is why one should not regard that as disrespect for the Belarusian leaders. "We deeply respect Belarus," Mr Speckhard added. A part of the meeting between Mr Malumaw and Mr Speckhard was held behind closed doors.

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Belarus: Lukashenka Notes Ties to Russia in Victory Day Speech

LD0805211896 Minsk Radio Minsk Network in Belarusian 1500 GMT 8 May 96

[Address by Belarus President Alyaksandr Lukashenka at meeting commemorating victory in World War II at Central Officers House in Minsk — live; Lukashenka speaks in Russian]

[FBIS Translated Excerpt] [Lukashenka in Russian] Esteemed comrades, our dear veterans, esteemed guests! We have gathered here to mark the bright and triumphant holiday, the day of victory of our people in the Great Patriotic War. [passage omitted]

The people of Belarus has made its sovereign choice. It expressed its will in respect to further coming closer to Russia at the May referendum last year. The people's will was enacted by the signing on 2 April this year of the treaty forming a community with the Russian Federation. Without giving up sovereignty and independence, [applause] both Belarus and Russia have obtained the possibility of jointly tackling a broad range of political, socioeconomic, and cultural problems in the name of prosperity of fraternal peoples.

And the selection of a large group of our young leaders from the Republic of Belarus to be at the very highest positions in that community is evidence of the highest respect on the part of the Russian Federation and the Russian people for Belarus and the Belarusian people. [applause] [passage omitted]

Unfortunately, it must be said that the state has been unable to give you what you have truly deserved. Much in your life now is unworthy of the greatness of your feat. There are reasons for this. Please try not to judge too harshly. [passage omitted]

I am convinced that whatever the difficulties we shall get through them. Together we must achieve a breakthrough and attain stability and prosperity in our republic. [passage omitted]

The events which took place on 24 March, 2 and 26 April [anti- government rallies in Minsk] show one thing: However hard it is now, you, who went through the fiery years of war, will have to fight one more battle — for moral purity and the truth of our history and the fate of our people. We must do everything possible to preserve and ensure peace in our republic, in Europe and all countries of the world community.

For Belarusians and all citizens of our country, the concept of peace is a highly sensitive matter. It is precisely this which explains my firm attitude on the impermissibility of the North Atlantic bloc, NATO, spreading, and with it nuclear weapons, eastwards into East European countries. [applause] [passage omitted]

To ensure that there is no war, the security of the state must be maintained at the necessary level long before possible terrible events. And in this connection, whatever it costs us, we shall keep and pamper our Army, our Armed Forces. [passage omitted]

The policy of friendship with neighbors, first and foremost with the fraternal Russian people, the policy of normal cooperation with Western countries [words indistinct]. Belarus today, because of that kindly policy, has fallen into a terrifying encirclement of isolation. Look at the Baltic states. Look at the West. Look south. Look east. Sadly, alas, this policy is not needed by the leadership. Not needed — and you know the reason for all this. And you see what is happening and very often you put the question — Why? Why was the rabid behavior recently unleashed on the streets of Minsk reported completely differently in the mass media of a fraternal state? A state which just recently had concluded a union treaty with the Republic of Belarus. Not everyone liked that. And, unfortunately, it was very much not to the liking of individual Russians who are deeply entrenched in the leadership of that state.

Every day, every hour we have to put up with dreadful pressure from all sides. Nobody wants the truth. Nobody wants sincerity in politics, sadly, in the near and far surroundings of our state. But once again I stress: We are strong people. We are used to everything. We know that our cause is just and we shall withstand as you once withstood. [applause]

Dear friends, dear esteemed veterans! We love you and we are always thinking of you. We have returned to you your holy objects, the red banner of victory and the country's state flag [prolonged applause]. We have returned to you the state flag of the country for which you fought. We have returned to you friendship and union with the Russian people and with Russia, with which we have a common, centuries-old root. But most of all, we have returned to you your memory and feeling of human pride for the years you lived through. [passage omitted]

There will be grief for those peoples which once lived in the mighty Soviet state unless we think things through in the next year or two and make resolute steps towards uniting those peoples. [applause] [passage omitted]

I wish you good health and many years of life, happiness, resilience and optimism. Esteemed comrades! hallow me once again sincerely and cordially to congratulate all those present in this hall on our most important, great festival, the day of the great victory, a

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victory which will not fade with the years. [prolonged applause]

Belarus: Minsk, Moscow Aim for Unified Legislation by End of '97

WS0905105196 Minsk BTK Television Network in Belarusian 1800 GMT 7 May 96

[FBIS Translated Text] Since the beginning of this year, Russia and Belarus have made great progress in bringing their legislations closer to one another, Valeryy Drahanaw, deputy chief of the State Customs Committee and head of the Russian Customs Service representative office in Belarus, has declared to an INTERFAX correspondent. He recalled that according to the [Belarusian- Russian] unity treaty, the two states are planning to create by the end of the next year a single legal basis offering Belarusian and Russian citizens equal opportunities for conducting economic activities.

Moldova

Moldova: Officials Satisfied Over Progress in Russian Pullout Talks

AU0905110096 Chisinau INFOTAG in English 1657 GMT 8 May 96

[FBIS Transcribed Text] Chisinau, May 8 (INFOTAG) — The Chisinau and Moscow delegations, which negotiated on Monday and Tuesday [6 and 7 May] the Russian troops' status and procedure and schedule of withdrawal from the Moldovan territory, have expressed satisfaction about the results of the eleventh round of talks.

Their press release reads that the sides exchanged opinions on the implementation of earlier signed documents and on signing new ones, and analyzed the fulfillment of the agreement on interaction at inspecting the Russian military contingent deployed temporarily on the Moldovan territory.

The delegations have also coordinated the documents pertaining to transportation of personnel and military cargoes, reciprocal account settlements for these operations, and utilization of the military aerodrome in Tiraspol.

At the final press conference on Tuesday night, the delegation heads — Moldovan Deputy Foreign Minister Vasile Sova and Russian Special Envoy Vladimir Kitayev — were unanimous in stating that the negotiations were very efficient and constructive — on all problems.

The sides have discussed three big blocks of questions: (1) On documents which have been in force as from their signing moment; (2) on documents signed, but not yet passed through all domestic procedures in either of the two countries; and (3) on documents under way at present.

Vladimir Kitayev said each side will undertake efforts to put all documents into force and to implement them in full. In his belief, a laborious work is yet to be done to solve logistic questions, the division and evacuation of property.

"We also negotiated Moldova's participation in the settlement of the Russian troops being evacuated, and in building housing facilities for the military. Russia has already gained experience in troop withdrawing, and we know that first it is necessary to prepare all conditions at new dislocation areas," Kitayev stressed.

The Russian diplomat has reminded that in conformity with documents signed, the troop withdrawal is supposed to be synchronized with the Dniester region conflict settlement. In that connection, he expressed satisfaction about the progress in the political resolving of the Dniester region problem.

At this round of talks, the sides did not raise the question of giving a peacekeeper status to the Russian contingent in the Dniester region.

The next round of negotiations has been scheduled for September-October in Moscow.

On Wednesday [8 May], the Moldovan and Russian delegations went to Tiraspol. There they met with the Dniester region administration and visited Russian troop subdivisions.

The meetings were dedicated to practical questions pertaining to implementation of the Troop Withdrawal Agreement and division of military belongings. On the eve, both delegation heads expressed regret that the Dniester region leaders had ignored the invitation to come to Chisinau and take part in the negotiations. Before, the Tiraspol leaders participated in all talks, but quit the previous round in August 1995 in protest against the decisions taken then.

Earlier, Tiraspol did not allow Chisinau to collect its share of the military property. In this connection, Vasile Sova stated this question shall be solved in any case, as Tiraspol receives its portion of property in a strict conformity with the agreed schedule, but does not allow Chisinau to get its due.

The delegations particularly stressed the necessity to exercise a strict control over the safe keeping and evacuation of armaments, and over the annihilation of obsolete ammunition. These problems were in the focus of attention at today's dialogue in Tiraspol.

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Moldova: Parliament Refuses To Endorse Cabinet Reshuffle

AU0805135196 Paris AFP in English 0847 GMT 8 May 96

[FBIS Transcribed Text] Chisinau, May 8 (AFP) — The Moldovan parliament has refused to endorse President Mircea Snegur's proposed cabinet reshuffle, opening the way for a possible constitutional crisis.

The move late Tuesday followed a warning by Snegur on television Monday that he might call for a referendum on no-confidence in the government if parliament rejected the planned reshuffle.

In a message to parliament, the president blamed the government for the fall in living standards over the past two years in this Romanian-speaking former Soviet republic of 4.5 million people.

Premier Andre Sangheli on Tuesday retorted in parliament that the economic crisis was due to the disapearance of the country's traditional trade links with the 1991 collapse of the Soviet Union.

Sangheli in turn blamed Snegur for the "rise in social and political tension" by resigning in June 1995 from the ruling agrarian party to join the opposition.

Snegur has since then been in constant institutional and political conflict with his government and the majority in parliament.

Moldova: Speaker Lucinschi Says Top Leaders 'Doomed To Cooperation'

AU0905092996 Chisinau INFOTAG in English 1657 GMT 8 May 96

[FBIS Transcribed Text] Chisinau, May 8 (INFOTAG) — Parliament Chairman Petru Lucinschi has stated the Moldovan top leaders are "doomed to cooperation, if only they really want Moldova to prosper."

Speaking in Parliament on Tuesday [7 May] evening during debates around President Snegur's message, Lucinschi has admitted that the forum has not always been strict enough in controlling the government's activities. "The government should understand that the legislature are not defenders in court, and cannot be always indulgent towards all shortcomings," he said.

Instead of clashes, all-level authorities, including top leaders of the country, should undertake personal responsibility for solving problems, he remarked.

As the pension arrears situation has become intolerable, while all measures fail to improve it, Parliament has set up a commission which has been given two weeks' time to analyze the situation and propose measures to improve it.

In his words, any controversies between leaders complicate the situation, upset and demoralize the population, and spoil the country's international image. "It's been one year already since the mechanism of cooperation between top leaders had been broken," he stressed, having reminded the audience that before that time the three leaders used to meet every week to discuss the country's vital problems. Lucinschi has suggested to resume this favorable practice.

Moldova: Snegur Expresses 'Bewilderment' With Parliamentary Debate

AU0905095596 Chisinau INFOTAG in English 1657 GMT 8 May 96

[FBIS Transcribed Text] Chisinau, May 8 (INFOTAG) — President Snegur has expressed bewilderment about the abstract and non-concrete way his message was discussed by the legislative forum.

Having taken the floor during the Tuesday [7 May] debates, Snegur stated that all data presented in his message had been verified and corresponded to reality. He made that statement because some deputies voiced doubts about the authenticity of the facts presented in that document.

He stressed that the wage and pension arrears problem does exist, and suggested to the deputies to just go to any neighbor village to see the truth.

"I cannot understand what is happening in the forum today," Snegur said, and stressed that the deputies taking the floor first apologetically admit their full understanding of the message-raised problems, and then elegantly switch to "lecturing the president on how he should behave." "Neither the premier, nor his deputies, nor ministers offered any concrete propositions," he emphasized.

"Not me, but you have initiated this political gamesmanship. Instead of hearing sound arguments, I am hearing threats." He reminded the legislature that there are some 2 million voters standing behind him, while the parliamentary majority has only 1 million supporters.

He stated he would not give up seeking to solve the arrears problem — never.

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Tajikistan

Tajikistan: Opposition Warns Butrus-Ghali About Cease-Fire Violations

LD0705143696 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 7 May 96

[FBIS Translated Text] Professor Sayed Abdullo Nuri, leader of the Islamic Revival Party and of the United Opposition Forces of Tajikistan, has sent UN Secretary General Butrus Butrus-Ghali a message saying that violations of the cease-fire by servicemen of the Dushanbe regime are continuing.

Nuri expressed concern about the dispatch of new government forces to Tavildara and said that this step by the leaders in Dushanbe will aggravate military confrontation.

According to the leader of the opposition, about 4,000 officers and soldiers of the Dushanbe government have been stationed in Tavildara District and there are Russian mercenaries among them.

The leader of the United Tajik Opposition warned Butrus-Ghali that the situation which is being created will have consequences and asked the UN's military observers in the republic to put observer posts inside the conflicting fronts in Tavildara.

Tajikistan: Islamic Movement Holds Talks With ICRC Officials

LD0805120496 (Clandestine) Voice of Free Tajikistan in 0600 GMT 8 May 96

[FBIS Translated Text] A meeting has taken place at the headquarters of the Islamic Movement of Tajikistan between Mr. Richard and Mr. Simon, officials of the International Committee of the Red Cross [ICRC]; Fayz Imom and Sayfiddin Talbak, staff members of the leadership of the Islamic Movement of Tajikistan; and Dr. Akramshoh Alamshoh, chairman of the committee for medicine of the Islamic Movement of Tajikistan.

The ICRC officials expressed their readiness to supply humanitarian assistance from this organization to Tajik refugees in the north of Afghanistan. John Paul, the head of this organization in the area, will visit Tajik refugee camps in northern Afghanistan in the very near future.

Tajikistan: Fighting Spreads Between Government, Opposition Forces

LD0805184196 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 8 May 96

[FBIS Translated Text] According to a report received from the press center of the Islamic Movement of Tajikistan, heavy fighting between the army of the Islamic Movement of Tajikistan and paramilitaries and mercenaries of the Dushanbe regime continued in the Gurum village in Tavildara District on 7 May. The war has assumed an expanded scale and spread to Saghirdasht and other villages of Darvaz District.

As a result of retaliatory attacks by the Islamic fighters, the villages of Pushtarogh and Pastarogh rwere freed from the hands of the soldiers of [President] Rakhmanov's government and the mojahedin took full control of them. One BMP-2 armored personnel carrier, one long-range gun, and a large number of heavy guns were seized as a result of fighting during the night. Paramilitaries of Rakhmanov's regime retreated and left six of their posts. A number of soldiers of Rakhmanov's government were killed and some joined the mojahedin.

Another report from Tavildara indicates that heavy fighting took place as a result of attacks by paramilitaries of Tajikistan's ruling government on the positions of the mojahedin of the Islamic Movement of Tajikistan in the Childara state farm in Tavildara District. The Dushanbe government's groups sustained large losses in men, arms, and ammunition during the fighting over the past two days.

The paramilitaries, angered by their failure on the battlefield, are carrying out air raids and heavy artillery fire on the peaceful villages of Tavildara District. For example, yesterday from 0938 two helicopters of the Russian air force bombed Sayod village. In the afternoon three more Russian helicopters attacked Sayod village and made the houses of civilians the target for missile and bombing attacks. As a result of this cruel act, great losses were inflicted on the houses of civilians.

The latest events indicate that the Moscow-protected regime in Tajikistan is taking advantage of the opposition delegation's absence from the joint cease-fire observance commission and trying to push the mojahedin out of Tavildara District before the resumption of the Tajik peace talks.

Turkmenistan

Turkmenistan: President Holds Talks With EU Official

LD0305105796 Ashgabat TURKMEN PRESS in Russian 0840 GMT 2 May 96

[FBIS Translated Text] Ashbagat, 1 May — President of Turkmenistan Saparmurad Turkmenbashy Niyazov today received Fohion Fotiadis, the head of the unit [for relations with new independent states other than Russia] for the countries of the Caucasus, central Asia, and Mongolia in the European Commission.

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Within the framework of the talks which followed, there was an exchange of views on the opportunities for deepening the partnership between Turkmenistan and the EU, in particular the opportunity to sign a bilateral agreement on cooperation and partnership which includes a broad spectrum of possible fields of mutual interest. They also discussed the issue of expanding EU technical and financial aid to promote the economic reform which the government is carrying out in the country.

Commenting on his visit to Turkmenistan, Fotiadis called it extremely constructive. He said that Turkmen openness and readiness to discuss any issue encourages confidence in long-term and fruitful prospects for bilateral relations. The European Commission and the states in this organization are very interested in intensifying partnership with Turkmenistan. The fact that the present visit was initiated by the EU Council of Ministers is evidence of this, Fohion Fotiadis said. Among the priority fields for cooperation, he said, are agriculture, the power industry, and the setting up of an institute for private enterprise in Turkmenistan. It is planned that EU experts will participate in drafting the legal basis for attracting foreign investment to the country. Fotiadis also said that the EU intends to assist Turkmenistan in joining the World Trade Organization. Projects to build gas pipelines and main transport routes from Turkmenistan are arousing particular interest. They have already attracted the attention of international finance structures and aroused great interest in the EU.

On the subject of the present level of bilateral relations, the commission spokesman said that the technical aid programs in Turkmenistan are turning out to be far more effective than in many other CIS countries and that now, through joint efforts, the fields of common interest to be tackled in the near future must be defined.

Turkmenistan: Iran's Va'ezi in Ashgabat for Railway Talks

LD0805191496 Tehran IRNA in English 1903 GMT 8 May 96

[FBIS Transcribed Text] Tehran, May 8, IRNA — Iran's Deputy Foreign Minister, Mahmoud Va'ezi, who arrived in Ashgabat this morning, held talks with Turkmenistan's Deputy Prime Minister and Minister of Foreign Affairs Boris Shikhmuradov.

In the meeting, the two sides reviewed the related programs and coordination between the two countries concerning the inauguration of the Mashhad-Sarakhs-Tajan railway, which is all set to link landlocked central Asian countries to Iran and its ports on the Persian Gulf.

The inaugural ceremony of the 295-km railway project, of which 165 kms lie in Iran and the rest in Turkmenistan, will be held on 13 May, in the presence of heads of state and ranking officials of over 30 world countries.

Uzbekistan

Uzbekistan: Turkish President Meets With President Karimov

LD0705215396 Moscow ITAR-TASS World Service in Russian 1800 GMT 7 May 96

[By ITAR-TASS correspondent Vilor Niyazmatov]

[FBIS Translated Text] Tashkent, 7 May — Turkish President Suleyman Demirel has started his visit to Uzbekistan with a half-an-hour conversation tete-a-tete with President Islam Karimov. The Turkish president arrived in Uzbekistan on an official visit late this evening. The head of the Turkish state will spend three days in Uzbekistan. Besides holding official talks in Tashkent, he will also pay a visit to ancient Samarkand.

About 100 Turkish businessmen and entrepreneurs are accompanying Suleyman Demirel on his trip to Uzbekistan. A number of documents will be signed on the results of the high-ranking Turkish guest's visit. They will include a joint statement on strengthening Uzbek-Turkish relations to be signed by both presidents, Islam Karimov and Suleyman Demirel, and also an agreement on cooperation in the sphere of protecting the environment and an agreement on avoiding dual taxation.

The visit by the Turkish president to Uzbekistan continues.

Uzbekistan: Accords Signed Following Uzbek, Turkish Leaders' Talks

LD0905092596 Tashkent Radio Mashal in Uzbek 1000 GMT 8 May 96

[FBIS Translated Text] The official visit by the president of Turkey, Suleyman Demirel, who is visiting our country at the invitation of the president of our republic, Islam Karimov, is continuing. Our special correspondent covering the visit, Sokhib Jamalov, reports:

[Jamalov] Good day, dear listeners. Talks between members of the two states' delegations were held at the Durmen out-of-town residence this morning. First, there was a tete-a-tete conversation between Uzbek President Islam Karimov and Turkish President Suleyman Demirel. There was also an exchange of views on the further development of relations between Uzbekistan and Turkey, the implementation of agreements signed

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earlier, regional problems and issues in international relations at an expanded-format meeting between members of the two states' delegations.

It is necessary to emphasize especially that about 30 documents between our states, directed towards developing bilateral relations and strengthening friendship between the people of our countries, have been signed between our countries to date.

At the end of these talks, three documents were also signed. A press conference for journalists was held after the meeting. The president of our state and the leader of Turkey expressed their personal opinions about the talks at the press conference. In particular, at the beginning of the press conference, the president of our country, speaking about the documents signed, said:

[Begin Karimov recording] Three other important documents were signed at the end of the talks. This means an agreement on friendship and cooperation. To talk about friendship, this document which was signed today is a document of eternal friendship. This expression has one meaning in both Uzbek and Turkish: eternal means eternal. If anybody has any questions about the meaning of eternal, I am ready to explain the meaning of eternal again. The second document is a new edition of an agreement abolishing double taxation on profits. The third document is an agreement on cooperation in environmental protection. Without any doubt, these documents will be a stable foundation for the further expansion of our mutually beneficial relations. [end recording]

[Jamalov] After that, the president of Turkey told journalists his opinion about the talks held today:

[Begin Demirel recording in Turkish] Thank you, Mr. President. [passage omitted] To talk about bilateral relations between Uzbekistan and Turkey, these relations are stable. These relations are so good that they can be an example for other countries. I am very glad and very happy that these relations will be relations for the forthcoming 20 years. [sentence as heard]. One very good agreement has been signed between these two countries. With the documents signed today, the shaping of the foundations — the legal foundations — of our economic, cultural, and various other relations has been completed. [end recording]

[Jamalov] The leader of Turkey also expressed in his speech his high opinion of the great achievements and the economic reforms being pursued in our state. After that, journalists asked the leaders of Uzbekistan and Turkey a lot of questions about bilateral relations between these countries and about the position of these countries on various events in international relations, and received complete and detailed answers to these questions from the leaders of these countries.

Uzbekistan: Turkey's Demirel Comments on Uzbek Relations, Russia

TA0905103296 Ankara ANATOLIA in English 0948 GMT 9 May 96

[FBIS Transcribed Text] Tashkent, May 9 (A.A) — President Suleyman Demirel, who is currently in Uzbekistan as the official guest of Uzbek President Islam Karimov, said Wednesday [8 May] that Turkey was the first country recognizing this country, the first country establishing diplomatic relations, and opening embassy.

Staging a news conference on the second day of his visit Demirel said Euro-Asia was a historical opportunity for humanity adding the geography where Turkish origin people live was a civilization treasure and that "any move or expression for reshaping the Soviet empire 'irritates' Turkey and these countries".

Demirel said dissolution of the Soviet Union was irreversible adding Soviet administration caused a remarkable devastation on the people in the region.

Stressing the importance of independence, Demirel said "Chechen people's call for independence caused concern in Russia and they launched a move on Chechnya to prevent any other action" he added.

Demirel said there were international agreements which Russia has to abide by.

Noting that several republics within Soviet Union did not have an ethnic tie culture and religious union with Russia, Demirel said "these countries were forced to take place in the union".

Later, speaking at a dinner hosted by Uzbek President Islam Karimov, Demirel said he was pleased to be in Uzbekistan adding friendship and brotherly relations between Turkish and Uzbek people never lessened but increased.

Demirel said Turkey and Uzbekistan were two important countries and cooperation and relations between the two countries would contribute to the development, welfare, and stability of the region.

Demirel noted that Turkey wanted the improvement of relations between the brotherly republics in Central Asia and supported efforts to strengthen stability "we will continue to extend any necessary aid for the restructuring of national state, strengthening of independence, and to provide the realization of reforms".

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Armenia

Armenia: Primakov Arrives in Yerevan With Released POWs From Baku

LD0805162896 Moscow ITAR-TASS World Service in Russian 1525 GMT 8 May 96

[By ITAR-TASS correspondents Yuriy Kozlov and Tigran Liloyan]

[FBIS Translated Text] Yerevan, 8 May — "Russia is carrying out this mission on direct instructions from the president and we believe that we will succeed in making at least a little progress," Russian Foreign Minister Yevgeniy Primakov said on arrival here from Baku this evening. He is on a visit within the framework of the mission to settle the Karabakh conflict. He brought with him on the aircraft to Yerevan 35 Armenian POW's and hostages who had been held by the Azerbaijani side.

The most important thing that we have managed to achieve is the exchange of POW's and those people who were taken hostage, the minister said in a statement at Yerevan's Zvartnots airport. We have now brought all those held by Azerbaijan and we will take all from Armenia and Karabakh and transport them to Baku, Ye. Primakov noted. He said: "The exchange of hostages and POW's marks the start of all the decisive action to settle the conflict." The minister described the Karabakh conflict as a terrible event which affects Armenia, Russia, and Azerbaijan. We wish everyone peace and stability, the head of the Russian foreign ministry said.

Armenia: Primakov 'Very Satisfied' With Karabakh Mission Talks

LD0905115396 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 9 May 96

[From the "Novosti" newscast]

[FBIS Translated Text] Russia's Foreign Minister Yevgeniy Primakov has completed a visit to Nagornyy Karabakh and returned this morning from Stepanakert to Yerevan. We would recall that Primakov is in the Transcaucasus as part of Russia's shuttle diplomacy seeking a settlement in Nagornyy Karabakh:

[Unidentified correspondent] During talks with President Robert Kocharyan of the Nagornyy Karabakh Republic, the most important thing was achieved: the Karabakh side agreed to hand over all the Azerbaijani hostages and prisoners of war on their territory. An International Red Cross list puts their number at (760).

[Begin recording] [Primakov] We talked about general approaches which are needed to settle the conflict. I do not want to go into detail here, because as yet we do not have these details. This is all I want to say: I am very satisfied with these conversations.

[Kocharyan] We have always been ready to compromise. [end recording]

[Correspondent] Yevgeniy Primakov went back to Yerevan today. Russia's foreign minister gave Armenian President Levon Ter-Petrosyan a special message from Boris Yeltsin in which the Russian leader calls upon all parties to the conflict to step up their peacemaking efforts on the eve of the second anniversary of the Nagornyy Karabakh cease-fire. The Russian Foreign Ministry delegation took part in the 9 May ceremonies.

Azerbaijan

Azerbaijan: Primakov on Territorial Issues, Karabakh Conflict

NC0805181196 Baku TURAN in English 1531 GMT 8 May 96

[FBIS Transcribed Text] Baku /08.05.96/ TURAN — President Geydar Aliyev met today with Foreign Minister of Russia Yevgeniy Primakov. This is a first visit of the Russian Foreign Minister to Azerbaijan after 1992. "After Primakov's being appointed to this post we observe changes to better in the relations between Azerbaijan and Moscow," Geydar Aliyev said greeting the guest. He said that arrival of Primakov would promote peaceful resolution of the Armenian-Azerbaijani conflict.

Aliyev said that after meeting in Moscow with Boris Yeltsin and statements made by the Russian president on the ways of settlement of the Karabakh conflict, appeared a great hope that Russia will play a significant role in the resolution of the conflict.

Yevgeniy Primakov said that Russia tries to help the resolution within the frameworks of the international organisations. He noted that personal message of Boris Yeltsin conveyed to Geydar Aliyev by Primakov contains the position of Russia. "We are for territorial integrity of Azerbaijan, peaceful resolution, special rights of the Armenians of Nagorno-Karabakh to defend their national originality," Primakov noted. "Russia needs a strong and stable Azerbaijan, as well as Azerbaijan needs strong and stable Russia," Foreign Minister of Russia said.

Geydar Aliyev thanked Primakov for the message of the president of Russia and said that he would answer it. According to the president Azerbaijan sees resolution of the conflict in liberation of the occupied territories , return of refugees and granting of high status to Nagorno-Karabakh within Azerbaijan.

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Aliyev noted that on the eve of second anniversary of cease-fire - May 12, State Commission for Refugees and Hostages have revealed 39 people. "They are prisoners of war, hostages and accused people, Armenians by nationality. We are ready to give them to you so that you pass them to Armenia." Geydar Aliyev noted that one of them - is a terrorist who exploded Baku's underground, and three of them killed the Azeri journalist and three Russian soldiers in Nagorno Karabakh.

Primakov treats the decision of Azerbaijan "a great humanitarian step which can be a basis for common settlement of the conflict." He promised that the day after tomorrow he would return to Baku with 69 Azeri prisoners of war and hostages kept in Armenia.

Aliyev noted that the talk was about Azeri prisoners of war and hostages included the list of the ICRC, there are a lot of people in those lists to be released, the president said.

Then the meeting was held behind the closed doors.

Late today Primakov will leave for Yerevan and will return in Baku the day after tomorrow.

Azerbaijan: Russia Wants Just Solution on Nagorno-Karabakh

LD0805194196 Moscow INTERFAX in English 1438 GMT 8 May 96

[FBIS Transcribed Text] BAKU, May 8 (Interfax) - Russia wants a just solution to the Armenian-Azerbaijani conflict which would ensure Azerbaijan's territorial integrity and a special status for Nagorno-Karabakh, Russian Foreign Minister Yevgeniy Primakov told Azerbaijani President Geydar Aliyev in Baku Wednesday.

Primakov started his Caucasus tour in Baku. Later, he will visit Yerevan, Tbilisi and Stepanakert.

"Russian-Azerbaijani relations are developing in the normal way," Primakov said. "Russia needs a strong Azerbaijan, while Azerbaijan needs a strong Russia."

Primakov handed over a personal message from Russian President Boris Yeltsin, saying it "clearly explains Russia's attitude to Azerbaijan."

Primakov thanked Aliyev for praising Russia's settlement efforts in Nagorno-Karabakh, saying Moscow also hopes for the success of the OSCE Minsk Group for Nagorno-Karabakh. Russia is especially sensitive about conflicts in the former Soviet Union, he said.

Aliyev stated that Azerbaijan pinned many hopes on Primakov's visit. "We believe that Russia can play a special part in the settlement of the Armenian-Azerbaijani conflict," he said.

Aliyev reiterated once again the main settlement principles that Baku insists on, including the freeing of the occupied Azerbaijani lands, the repatriation of refugees and broad autonomy for Nagorno-Karabakh.

Azerbaijan: Russia's Primakov Arrives in Stepanakert

LD0805211496 Moscow Mayak Radio Network in Russian 2000 GMT 8 May 96

[FBIS Translated Text] Russian Foreign Minister Yevgeniy Primakov has arrived in Stepanakert, capital of Nagorno-Karabakh, on Wednesday night. An INTERFAX correspondent reports that the minister hopes for a fruitful dialogue with the leadership of the self-proclaimed republic of Nagorno-Karabakh. Primakov said he is satisfied with the way the process of exchanging prisoners has began. He said the Azerbaijan side has kept its obligations by releasing 39 POW hostages. The Karabakh side should now release 69 POW's.

Azerbaijan: Nagorno-Karabakh Speaker: Strong Army Guarantees Peace

LD0805191296 Moscow INTERFAX in English 1223 GMT 8 May 96

[FBIS Transcribed Text] STEPANAKERT, May 8 (Interfax) — Artur Tovmasyan, the chairman of the Nagorno-Karabakh National Assembly (parliament), has argued in favor of a strong army for the self-declared republic.

"A strong and combat-ready Karabakh army is the guarantor of the observance of the cease-fire in the zone of the Armenian-Azerbaijani conflict, which has been in effect since May 12, 1994," he said.

"It is our duty to strengthen the defense capability of the Karabakh armed forces to prevent the resumption of combat operations," he said.

The cease-fire is fragile because it is not supported by any serious agreements, said Tovmasyan.

Nagorno-Karabakh is campaigning to ensure that the world community grant Armenia the right to act as the physical, legal and political guarantor of security of the people of Nagorno-Karabakh, he went on to say. "In this case Azerbaijan's attack on Karabakh will be viewed as aggression against Armenia, which must become a restricting factor for certain circles in Baku," he said.

The cease-fire gave Karabakh an opportunity to "accelerate the rate of state development," he continued.

Concluded two years ago, the cease-fire has allowed Karabakh to create laws to implement economic reforms, regulate the work of the law-enforcement and ju-

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dicial agencies, and set up a constitutional commission, chaired by Nagorno-Karabakh leader Robert Kocharyan, which will develop the constitution, said Tovmasyan.

All of these steps are strengthening our state system, he said.

Georgia

Georgia: Foreign Minister Comments on Primakov's Upcoming Visit

LD0705220996 Moscow INTERFAX in English 1748 GMT 7 May 96

[FBIS Transcribed Text] TBILISI, May 7 (Interfax) — Georgia's Foreign Minister Irakly Menagarishvili Tuesday said his country's conflict with its breakaway region of Abkhazia would be the focus of a forthcoming visit to Georgia by his Russian counterpart, Yevgeniy Primakov.

Primakov, arriving for a one-day visit to Tbilisi on May 11, will specifically discuss with his hosts a new mandate for a Russian peacekeeping force in Abkhazia, whose present mandate expires next month by decision of the Georgian parliament, Menagarishvili told a news conference in the Georgian capital.

"Though we are against the withdrawal of the peacekeeping force from the conflict zone, it cannot remain there with its present status," he said.

He said that during a recent visit to the United States he told members of the U.S. Administration and U.N. Secretary General Butrus Butrus-Ghali that "the process of settlement of the conflict in Abkhazia has again come to an impasse, and this time the process has no future without more active efforts by the United Nations, the United States and other leading states of the world.

"This position received full support both at the United Nations and in the U.S. Administration," the minister said.

Asked by Interfax about Tbilisi's stance on plans to form coalition armed forces in Transcaucasia comprising Russian, Armenian and possibly Georgian troops, Menagarishvili said this was among the issues raised during a recent visit to Georgia by Russian Defense Minister Pavel Grachev, "but not in the sense of creating some kind of military bloc in Transcaucasia." The discussion was about "a basic document which was suggested by the Russian side and was about joint action by the armed forces of Russia and Georgia in critical extreme situations."

"If that is what is meant, we are not against joint action, and moreover we welcome such an approach," Menagarishvili said.

Georgia: Shevardnadze Issues Edict on Defense Fund

AU0905090496 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 26 Apr 96 p 2

["Official Information — On the Georgian Defense Fund"]

[FBIS Translated Text] The Georgian Defense Fund is a socioeconomic organization that contributes to increasing the strength of the country's Armed Forces, strengthening the state borders, providing social security for the families of military servicemen who have been killed in the struggle for Georgia's territorial integrity, and expanding military-patriotic work among the population.

In order to ensure active participation in the matter of speeding up the organizational development of the Armed Forces — the primary task of the Defense Fund — , in accordance with an edict of Georgian President Eduard Shevardnadze, the Georgian Ministry of Defense, the Ministry of Internal Affairs, the State Border Protection Department, together with the president of the Defense Fund, have been entrusted with devising a comprehensive plan for the organizational development of the Armed Forces and for utilizing the potential of the Georgian Defense Fund to the maximum degree in this matter.

It has been viewed as expedient that representatives of these departments should participate in the work of the presidium of the Georgian Defense Fund.

The Defense Fund will be restructured in accordance with how it is reorganized and the tasks facing it today.

The Georgian state minister has been entrusted with providing comprehensive assistance to the Defense Fund and the institutions that are a part of it and those Georgian and foreign establishments connected with it through their joint activities in accomplishing the Fund's tasks, establishing significant benefits for the Fund, and ensuring that the issues that lie within its jurisdiction are resolved.

The edict stipulates measures to improve the economic activities of the Georgian Defense Fund and to acquire additional resources.

The Georgian President's Local Administration and Regional Policy Coordinating Service, the president's state plenipotentiaries, and town mayors and rayon administration chairmen have been entrusted with helping in every way possible the Defense Fund's local organizations to find concrete ways of attracting resources and strengthening the Defense Fund economically.

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In order to step up the activities of the Georgian Defense Fund, expand its sphere of activities, and raise its standing, it is viewed as expedient that it should be directly subordinate to the Georgian president.

Georgia: Shevardnadze, Foreign Observers at Army Exercise

MM0905114596 Moscow Russian Television Network in Russian 1600 GMT 4 May 96

[From the "Vesti" newscast: Video report by I. Moseshvili, identified by caption, on the Georgian Army's first-ever exercises in which "only three tanks and four fighter aircraft" took part]

[FBIS Translated Text] [161344] [Moseshvili over video of field camp] Georgian Defense Ministry exercises, which had been postponed several times, took place today in Algeti, some 60 km from Tbilisi. The exercises were attended by President Eduard Shevardnadze of Georgia, ministers, members of parliament, representatives of the Group of Russian Forces in the Transcaucasus, and UN and Organization of Security and Cooperation in Europe military observers.

The guests were shown a field camp where the tactical exercises were later held. Airborne assault troops demonstrated their skills in eliminating the notional enemy. Subsequently, after a short break, everyone gathered at the observation post.

According to the organizers, the exercises cost 150,000 lari, or approximately $120,000. All types of military equipment were brought into play.

The military leadership noted that the present exercises and the establishment of the Georgian Army owe much to the Russian Defense Ministry which is extending passive assistance. Georgia is hoping that this cooperation will continue in the future. [161435] [video shows field camp, Shevardnadze welcoming those present, inspecting gear, helicopters and aircraft in action]

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Latvia

Latvia: Foreign Minister on Latvian Security Guarantee

WS0905121896 Tallinn BNS in English 0852 GMT 9 May 96

[FBIS Transcribed Text] Riga, May 9, BNS — Latvia's security can be guaranteed only by a speedy joining to the European Union and Latvia's active participation in the Western European Union (WEU), NATO Partnership for Peace Program as well as NATO peace-keeping forces, Latvian Foreign Minister told BNS on Wednesday.

He Wednesday delivered a report on the Baltic states and security in Europe, which focssed also on the Baltic countries' stance toward NATO expansion, during a conference in the Royal United Services Institute for Defence.

Birkavs said that security of the Baltic states is a security guarantor also for Europe. He considers that, before NATO announces which countries have been admitted to this organization, a clear security strategy has to be known, and the Baltic states cannot be excluded from it.

"We disagree that our security could be guaranteed by the Nordic countries. In addition, the governments (of Finland and Sweden) have announced that they will not do it," said Birkavs.

Swedish prime minister and his Finnish counterpart told a press conference on Apr. 25 in Helsinki that both countries are ready to back Baltic states' joining to EU but do not intend to provide security guarantees for Latvia, Lithuania and Estonia.

Speaking about relations with Russia, Birkavs stressed that "Latvia has to develop a constructive dialogue with Russia, but it cannot be undertood as changing of Latvia's strategic goals. Latvia's chief goal is to join the European Union and NATO."

The conference in the the Royal United Services Institute for Defence was attended also by British Defense Minister Michael Portillo, NATO assistant secretary general, Tony Kirk, and the director of the Moscow Institute for International Affairs, Oleg Bogomolov.

On May 4-8, Birkavs and Latvian Defense Minister Andrejs Krastins participated in the WEU council meeting which was held in Strasbourg. Birkavs is scheduled to return to Latvia on Thursday.

Latvia: Parliament Not To Express Condolences for Dudayev

LD0905102596 Riga Radio Riga Network in Latvian 0801 GMT 9 May 96

[FBIS Translated Text] The Saeima today rejected the proposal to express condolences to the Chechen people on Dzhokhar Dudayev's death. Speaking at the debates, Indulis Berzins, a deputy from the Latvian Way, proposed that instead of passing a resolution of the Saeima, each deputy should individually sign a letter of condolences. On the other hand, several other deputies said that this is a political decision which should show the Latvian parliament's attitude towards the elimination of a small nation.

After rejecting the proposal, one of its initiators, Juris Vidins, a deputy from the For the Fatherland and Freedom faction, said that condolences will be expressed anyway. However, deputies who voted against the proposal or abstained from the voting will not (?be allowed) to sign it.

Latvia: Lithuanian President Addresses Latvian Parliament

WS0705124596 Riga LETA in English 0919 GMT 7 May 96

[FBIS Transcribed Text] Riga, May 7, LETA — On Monday, May 6, President Algirdas Brazauskas of Lithuania visited the Saeima (parliament) of Latvia. Before addressing parliament, President Brazauskas met with the Speaker of the house, Ms. Ilga Kreituss.

In his address to parliament, President Brazauskas said he was pleased that both nations had so much in common. President Brazauskas emphasized that both nations had similar goals: democracy, respect of human rights, priority of justice, and a market economy. "Lithuania follows the principle of Baltic solidarity and would like to adhere to it in the future," said President Brazauskas. The president said that only by coordinating opinions and policy will it be possible to overcome the difficulties of integration into the EU and both nations should become members of the EU at about the same time. President Brazauskas noted in his address that Lithuania is ready to play its part in the dialog between the West and Russia. He said that both Latvia and Lithuania are interested in living next to a democratic, peace-abiding, and economically strong Russia.

In conclusion President Brazauskas pointed out that this was not a pleasure trip by the Lithuanian delegation, but patient daily endeavors to pave the way to a united, secure, and prosperous Europe.

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Latvia: Latvian, Lithuanian Views on EU, NATO 'Completely Coincide'

LD0705154196 Moscow INTERFAX in English 1433 GMT 7 May 96

[FBIS Transcribed Text] RIGA, May 7 (Interfax) — Latvia's and Lithuania's official points of view regarding their integration in the European Community and NATO completely coincide, Presidents of the two countries Guntis Ulmanis and Algirdas Brazauskas told a press conference in Riga Tuesday. The press conference was devoted to the results of Ulmanis' two-day visit to Latvia.

Riga and Vilnius believe that the three Baltic states must become members of the European Community simultaneously and they should simultaneously start negotiations on entering the European Union.

Ulmanis and Brazauskas said that Estonia would share in this point of view, although it thinks that it can join the European Community earlier than Lithuania and Latvia because it leaves them behind in the pace of its economic reforms.

The two leaders reached an agreement to hold a summit between three presidents in Vilnius on May 28. Strategic goals of Latvia's, Lithuania's and Estonia's foreign policies must be the major subject of this summit, they said.

Speaking about the problem of the sea border between Lithuania and Latvia, Brazauskas said that both countries could conclude an agreement acceptable for both parties on its delimitation in the near future.

The problem of the sea border between the two countries sharpened last autumn after Latvia signed an agreement with the American oil company Amoco and Swedish Opab on the survey and utilization of the oil field which is supposed to be located in the shelf of the Baltic Sea.

During the negotiations in Riga, Brazauskas said, we spoke about regulation of the border regime on the borders of the three Baltic states, which provides for creation of a Customs Union between them.

Ulmanis and Brazauskas pointed to the need to conclude an agreement on free trade in agricultural products between Latvia, Lithuania and Estonia as soon as possible. Ulmanis recognized that this agreement has not been concluded until now due to Vilnius' inability to fulfill the demand of the International Monetary Fund to lower customs charges for the import of agricultural products into the country.

Speaking about the supply of oil products to the Baltic states, Ulmanis said that if they succeeded in cooperation and efficient joint exploitation of the oil refinery in Majeikai (Lithuania) and the oil terminal in Ventspils (Latvia) then "such companies as Lukoil (Russia) would not be able to blackmail us."

The presidents recognized that they failed to find an acceptable solution to this problem.

Latvia: Ulmanis: President Brazauskas' Visit Successful

LD0705202396 Riga Radio Riga Network in Latvian 1300 GMT 7 May 96

[FBIS Translated Text] Lithuanian President Algirdas Brazauskas concludes his visit to Latvia today. The Lithuanian and Latvian presidents this morning visited the Lithuanian school in Riga and met representatives of the Lithuanian community. The two presidents also took part in the ceremony of blessing the foundations of the Lithuanian Embassy. At a news conference, the Latvian president stressed that the visit was very successful. A joint declaration was signed. It outlines strategic areas of future cooperation between Latvia and Lithuania, as well between the Baltics. Many important issues were discussed during the visit.

[Begin Ulmanis recording, in progess] ...a free-trade agreement between our two countries, particularly stressing agriculture and secondly, all the issues to do with borders and organizing the work of the customs.

I would like to express the hope — I believe this issue will be approved at the level of the executive power — that the Grenstale border crossing will become the first joint Latvian-Lithuanian border crossing that will have the degree of order and organization that members of the European Union currently have.

We touched a little on the issues concerning the maritime border and I fully agree with the Lithuanian president that the oil smear in the Baltic Sea which has been [word indistinct] imagined should not be allowed to turn into a smear on diplomacy between our countries and mutual relations. We have managed to confirm in Latvia that there are no problems concerning human rights and that there are no problems related to instruction of children in the language which they want.

A convergence of ideas was noted on the issues of the European Union, on the way to joining the European Union, on NATO, and on tactics and strategy of the way in which the Baltic states would be able to reach this aim.

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